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QUARTERLY STATEMENT

AS OF MARCH 31, 2008

OF THE CONDITION AND AFFAIRS OF THE

UnitedHealthcare Plan of the River Valley, Inc.

NAIC Group Code 0707 (Current Period), 0707 (Prior Period) NAIC Company Code 95378 Employer's ID Number 36-3379945

Organized under the Laws of Illinois, State of Domicile or Port of Entry Illinois

Country of Domicile United States

Licensed as business type: Life, Accident & Health [ ] Property/Casualty [ ] Hospital, Medical & Dental Service or Indemnity [ ]
Dental Service Corporation [ ] Vision Service Corporation [ ] Health Maintenance Organization [X]
Other [ ] Is HMO, Federally Qualified? Yes [ ] No [X]

Incorporated/Organized 08/05/1985 Commenced Business 12/19/1985

Statutory Home Office 1300 River Drive (Street and Number), Moline, IL 61265 (City, State and Zip Code)

Main Administrative Office 1300 River Drive (Street and Number) Moline, IL 61265 (City or Town, State and Zip Code) 309-736-4600 (Area Code) (Telephone Number)

Mail Address 1300 River Drive, Suite 200 (Street and Number or P.O. Box), Moline, IL 61265 (City or Town, State and Zip Code)

Primary Location of Books and Records 1300 River Drive (Street and Number) Moline, IL 61265 (City, State and Zip Code) 309-757-6285 (Area Code) (Telephone Number)

Internet Website Address UHCRiverValley.com

Statutory Statement Contact Joan G. Mincer (Name) 309-757-6285 (Area Code) (Telephone Number) (Extension)

Joan_G_Mincer@UHC.com (E-Mail Address) 888-250-1769 (Fax Number)

OFFICERS

Name	Title	Name	Title
Daniel Roger Kueter #	President	James Alan Cousins	Treasurer
Victoria Jane Graves	Secretary		

OTHER OFFICERS

Bruce Chase Steffens M.D.	Chief Medical Officer		

DIRECTORS OR TRUSTEES

Daniel Roger Kueter #	James Edward Hecker	William Kenneth Appelgate Ph.D.	Cathie Sue Whiteside
Victoria Jean Kauzlarich	Forrest Gregory Burke	James Alan Cousins	Victoria Jane Graves
Thomas Patrick Wiffler	Bruce Chase Steffens M.D.		

State of Illinois
County of Rock Island ss

The officers of this reporting entity being duly sworn, each depose and say that they are the described officers of said reporting entity, and that on the reporting period stated above, all of the herein described assets were the absolute property of the said reporting entity, free and clear from any liens or claims thereon, except as herein stated, and that this statement, together with related exhibits, schedules and explanations therein contained, annexed or referred to, is a full and true statement of all the assets and liabilities and of the condition and affairs of the said reporting entity as of the reporting period stated above, and of its income and deductions therefrom for the period ended, and have been completed in accordance with the NAIC Annual Statement Instructions and Accounting Practices and Procedures manual except to the extent that: (1) state law may differ; or, (2) that state rules or regulations require differences in reporting not related to accounting practices and procedures, according to the best of their information, knowledge and belief, respectively. Furthermore, the scope of this attestation by the described officers also includes the related corresponding electronic filing with the NAIC, when required, that is an exact copy (except for formatting differences due to electronic filing) of the enclosed statement. The electronic filing may be requested by various regulators in lieu of or in addition to the enclosed statement.

Daniel Roger Kueter President	James Alan Cousins Treasurer	Victoria Jane Graves Secretary

Subscribed and sworn to before me this
7 day of May, 2008

Mary Ann Vickers, Executive Administrative Assistant
11/01/2011

a. Is this an original filing? Yes [X] No [ ]

b. If no,
1. State the amendment number
2. Date filed
3. Number of pages attached

ASSETS

	Current Statement Date 1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols. 1 - 2)	4 December 31 Prior Year Net Admitted Assets
1. Bonds	248,498,568		248,498,568	236,382,934
2. Stocks:				
2.1 Preferred stocks			0	0
2.2 Common stocks			0	0
3. Mortgage loans on real estate:				
3.1 First liens			0	0
3.2 Other than first liens			0	0
4. Real estate:				
4.1 Properties occupied by the company (less $ ..... encumbrances)			0	0
4.2 Properties held for the production of income (less $ ..... encumbrances)			0	0
4.3 Properties held for sale (less $ ..... encumbrances)			0	0
5. Cash ($ 4,370,027), cash equivalents ($ 49,995,272) and short-term investments ($ 89,703,100)	144,068,399		144,068,399	124,649,396
6. Contract loans, (including $ ..... premium notes)			0	0
7. Other invested assets	0	0	0	0
8. Receivables for securities	1		1	0
9. Aggregate write-ins for invested assets	0	0	0	0
10. Subtotals, cash and invested assets (Lines 1 to 9)	392,566,968	0	392,566,968	361,032,330
11. Title plants less $ ..... charged off (for Title insurers only)			0	0
12. Investment income due and accrued	2,286,462		2,286,462	2,643,048
13. Premiums and considerations:				
13.1 Uncollected premiums and agents' balances in the course of collection	6,147,604		6,147,604	11,341,100
13.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including $ ..... earned but unbilled premiums)			0	0
13.3 Accrued retrospective premiums	5,294,564		5,294,564	4,820,668
14. Reinsurance:				
14.1 Amounts recoverable from reinsurers			0	467,076
14.2 Funds held by or deposited with reinsured companies			0	0
14.3 Other amounts receivable under reinsurance contracts			0	0
15. Amounts receivable relating to uninsured plans	833,492		833,492	1,301,736
16.1 Current federal and foreign income tax recoverable and interest thereon			0	5,738,617
16.2 Net deferred tax asset	55,575,840	49,235,186	6,340,654	6,650,641
17. Guaranty funds receivable or on deposit			0	0
18. Electronic data processing equipment and software			0	0
19. Furniture and equipment, including health care delivery assets ($ .....)			0	0
20. Net adjustment in assets and liabilities due to foreign exchange rates			0	0
21. Receivables from parent, subsidiaries and affiliates			0	0
22. Health care ($ .....) and other amounts receivable	2,986,925	630,007	2,356,918	0
23. Aggregate write-ins for other than invested assets	6,073,517	911,394	5,162,123	3,086,971
24. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 10 to 23)	471,765,371	50,776,587	420,988,784	397,082,187
25. From Separate Accounts, Segregated Accounts and Protected Cell Accounts			0	0
26. Total (Lines 24 and 25)	471,765,371	50,776,587	420,988,784	397,082,187
DETAILS OF WRITE-INS				
0901.				
0902.				
0903.				
0998. Summary of remaining write-ins for Line 9 from overflow page	0	0	0	0
0999. Totals (Lines 0901 through 0903 plus 0998)(Line 9 above)	0	0	0	0
2301. Other Assets			0	62,500
2302. Medicare Part D Receivable	5,162,123		5,162,123	2,899,471
2303. Prepaid Commision	911,394	911,394	0	0
2398. Summary of remaining write-ins for Line 23 from overflow page	0	0	0	125,000
2399. Totals (Lines 2301 through 2303 plus 2398)(Line 23 above)	6,073,517	911,394	5,162,123	3,086,971

LIABILITIES, CAPITAL AND SURPLUS

	Current Period			Prior Year
	1 Covered	2 Uncovered	3 Total	4 Total
1. Claims unpaid (less $ 0 reinsurance ceded)	151,225,244	15,837,553	167,062,797	171,753,087
2. Accrued medical incentive pool and bonus amounts	1,188,000		1,188,000	958,000
3. Unpaid claims adjustment expenses	1,462,403		1,462,403	1,483,483
4. Aggregate health policy reserves	3,679,564		3,679,564	3,640,823
5. Aggregate life policy reserves			0	0
6. Property/casualty unearned premium reserve			0	0
7. Aggregate health claim reserves	409,051		409,051	407,484
8. Premiums received in advance	10,018,812		10,018,812	6,842,159
9. General expenses due or accrued	8,586,038		8,586,038	9,903,307
10.1 Current federal and foreign income tax payable and interest thereon (including $ 0 on realized gains (losses))	3,055,868		3,055,868	0
10.2 Net deferred tax liability			0	0
11. Ceded reinsurance premiums payable			0	0
12. Amounts withheld or retained for the account of others			0	0
13. Remittances and items not allocated			0	0
14. Borrowed money (including $ current) and interest thereon $ (including $ current)			0	0
15. Amounts due to parent, subsidiaries and affiliates	49,503,192		49,503,192	25,343,272
16. Payable for securities			0	0
17. Funds held under reinsurance treaties with ($ authorized reinsurers and $ unauthorized reinsurers)			0	0
18. Reinsurance in unauthorized companies			0	0
19. Net adjustments in assets and liabilities due to foreign exchange rates			0	0
20. Liability for amounts held under uninsured plans	8,504,179		8,504,179	8,251,417
21. Aggregate write-ins for other liabilities (including $ current)	0	0	0	0
22. Total liabilities (Lines 1 to 21)	237,632,351	15,837,553	253,469,904	228,583,032
23. Aggregate write-ins for special surplus funds	XXX	XXX	0	0
24. Common capital stock	XXX	XXX	610,000	610,000
25. Preferred capital stock	XXX	XXX		0
26. Gross paid in and contributed surplus	XXX	XXX	37,441,000	37,441,000
27. Surplus notes	XXX	XXX		0
28. Aggregate write-ins for other than special surplus funds	XXX	XXX	1,500,000	1,500,000
29. Unassigned funds (surplus)	XXX	XXX	127,967,880	128,948,155
30. Less treasury stock, at cost:				
30.1 shares common (value included in Line 24) $)	XXX	XXX		0
30.2 shares preferred (value included in Line 25) $)	XXX	XXX		0
31. Total capital and surplus (Lines 23 to 29 minus Line 30)	XXX	XXX	167,518,880	168,499,155
32. Total liabilities, capital and surplus (Lines 22 and 31)	XXX	XXX	420,988,784	397,082,187
DETAILS OF WRITE-INS				
2101.				
2102.				
2103.				
2198. Summary of remaining write-ins for Line 21 from overflow page	0	0	0	0
2199. Totals (Lines 2101 thru 2103 plus 2198) (Line 21 above)	0	0	0	0
2301.	XXX	XXX		
2302.	XXX	XXX		
2303.	XXX	XXX		
2398. Summary of remaining write-ins for Line 23 from overflow page	XXX	XXX	0	0
2399. Totals (Lines 2301 thru 2303 plus 2398) (Line 23 above)	XXX	XXX	0	0
2801. Reserve and Restricted Funds	XXX	XXX	1,500,000	1,500,000
2802.	XXX	XXX		
2803.	XXX	XXX		
2898. Summary of remaining write-ins for Line 28 from overflow page	XXX	XXX	0	0
2899. Totals (Lines 2801 thru 2803 plus 2898) (Line 28 above)	XXX	XXX	1,500,000	1,500,000

STATEMENT OF REVENUE AND EXPENSES

	Current Year To Date		Prior Year To Date	Prior Year Ended December 31
	1 Uncovered	2 Total	3 Total	4 Total
1. Member Months	XXX	1,012,352	494,512	3,536,903
2. Net premium income (including $ 0 non-health premium income)	XXX	311,935,209	181,108,131	1,110,200,134
3. Change in unearned premium reserves and reserve for rate credits	XXX		0	0
4. Fee-for-service (net of $ medical expenses)	XXX		0	0
5. Risk revenue	XXX		0	0
6. Aggregate write-ins for other health care related revenues	XXX	0	0	0
7. Aggregate write-ins for other non-health revenues	XXX	0	0	0
8. Total revenues (Lines 2 to 7)	XXX	311,935,209	181,108,131	1,110,200,134
Hospital and Medical:				
9. Hospital/medical benefits	21,570,289	249,126,440	129,028,265	849,511,132
10. Other professional services		178,184	74,187	371,509
11. Outside referrals			0	0
12. Emergency room and out-of-area			0	0
13. Prescription drugs		23,761,191	23,073,600	79,882,866
14. Aggregate write-ins for other hospital and medical	0	0	0	0
15. Incentive pool, withhold adjustments and bonus amounts			(571)	386,516
16. Subtotal (Lines 9 to 15)	21,570,289	273,065,815	152,175,481	930,152,023
Less:				
17. Net reinsurance recoveries			137,516	612,280
18. Total hospital and medical (Lines 16 minus 17)	21,570,289	273,065,815	152,037,965	929,539,743
19. Non-health claims (net)			0	0
20. Claims adjustment expenses, including $ 1,064,826 cost containment expenses		7,755,179	4,939,608	27,518,383
21. General administrative expenses		31,471,462	17,374,894	111,672,958
22. Increase in reserves for life and accident and health contracts including $ increase in reserves for life only)			0	0
23. Total underwriting deductions (Lines 18 through 22)	21,570,289	312,292,456	174,352,467	1,068,731,084
24. Net underwriting gain or (loss) (Lines 8 minus 23)	XXX	(357,247)	6,755,664	41,469,050
25. Net investment income earned		4,094,137	3,696,964	17,273,349
26. Net realized capital gains (losses) less capital gains tax of $ 0		382,438	4,235	333,433
27. Net investment gains (losses) (Lines 25 plus 26)	0	4,476,575	3,701,199	17,606,782
28. Net gain or (loss) from agents' or premium balances charged off [(amount recovered $) (amount charged off $			0	0
29. Aggregate write-ins for other income or expenses	0	0	0	0
30. Net income or (loss) after capital gains tax and before all other federal income taxes (Lines 24 plus 27 plus 28 plus 29)	XXX	4,119,328	10,456,863	59,075,832
31. Federal and foreign income taxes incurred	XXX	5,681,435	(3,456,888)	12,882,078
32. Net income (loss) (Lines 30 minus 31)	XXX	(1,562,107)	13,913,751	46,193,754
DETAILS OF WRITE-INS				
0601.	XXX			
0602.	XXX			
0603.	XXX			
0698. Summary of remaining write-ins for Line 6 from overflow page	XXX	0	0	0
0699. Totals (Lines 0601 through 0603 plus 0698) (Line 6 above)	XXX	0	0	0
0701.	XXX			
0702.	XXX			
0703.	XXX			
0798. Summary of remaining write-ins for Line 7 from overflow page	XXX	0	0	0
0799. Totals (Lines 0701 through 0703 plus 0798) (Line 7 above)	XXX	0	0	0
1401.				
1402.				
1403.				
1498. Summary of remaining write-ins for Line 14 from overflow page	0	0	0	0
1499. Totals (Lines 1401 through 1403 plus 1498) (Line 14 above)	0	0	0	0
2901. Massachusetts Uncompensated Care Surcharge			0	0
2902. Other Income (Loss)			0	0
2903. Fines & Penalties - Regulatory Authorities			0	0
2998. Summary of remaining write-ins for Line 29 from overflow page	0	0	0	0
2999. Totals (Lines 2901 through 2903 plus 2998) (Line 29 above)	0	0	0	0

STATEMENT OF REVENUE AND EXPENSES (Continued)

		1 Current Year to Date	2 Prior Year to Date	3 Prior Year
	CAPITAL AND SURPLUS ACCOUNT:			
33.	Capital and surplus prior reporting year	168,499,155	157,938,400	157,938,400
34.	Net income or (loss) from Line 32	(1,562,107)	13,913,751	46,193,754
35.	Change in valuation basis of aggregate policy and claim reserves		0	0
36.	Change in net unrealized capital gains (losses) less capital gains tax of $ 0		0	0
37.	Change in net unrealized foreign exchange capital gain or (loss)		0	0
38.	Change in net deferred income tax	(312,136)	60,308,940	57,427,197
39.	Change in nonadmitted assets	893,968	(53,453,653)	(51,560,196)
40.	Change in unauthorized reinsurance	0	0	0
41.	Change in treasury stock		0	0
42.	Change in surplus notes	0	0	0
43.	Cumulative effect of changes in accounting principles		0	0
44.	Capital Changes:			
	44.1 Paid in		0	0
	44.2 Transferred from surplus (Stock Dividend)		0	0
	44.3 Transferred to surplus		0	0
45.	Surplus adjustments:			
	45.1 Paid in		0	0
	45.2 Transferred to capital (Stock Dividend)	0	0	0
	45.3 Transferred from capital		0	0
46.	Dividends to stockholders		0	(41,500,000)
47.	Aggregate write-ins for gains or (losses) in surplus	0	0	0
48.	Net change in capital & surplus (Lines 34 to 47)	(980,275)	20,769,038	10,560,755
49.	Capital and surplus end of reporting period (Line 33 plus 48)	167,518,880	178,707,438	168,499,155
	DETAILS OF WRITE-INS			
4701.			0	0
4702.			0	0
4703.			0	0
4798.	Summary of remaining write-ins for Line 47 from overflow page	0	0	0
4799.	Totals (Lines 4701 through 4703 plus 4798) (Line 47 above)	0	0	0

CASH FLOW

	1 Current Year To Date	2 Prior Year Ended December 31
Cash from Operations		
1. Premiums collected net of reinsurance	319,831,462	1,104,448,549
2. Net investment income	4,620,971	13,616,502
3. Miscellaneous income	0	0
4. Total (Lines 1 to 3)	324,452,433	1,118,065,051
5. Benefits and loss related payments	278,458,533	844,675,484
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts		0
7. Commissions, expenses paid and aggregate write-ins for deductions	40,543,910	131,721,878
8. Dividends paid to policyholders		0
9. Federal and foreign income taxes paid (recovered) net of $ 0 tax on capital gains (losses)	(3,113,050)	21,318,695
10. Total (Lines 5 through 9)	315,889,393	997,716,057
11. Net cash from operations (Line 4 minus Line 10)	8,563,040	120,348,994
Cash from Investments		
12. Proceeds from investments sold, matured or repaid:		
12.1 Bonds	41,086,929	99,927,655
12.2 Stocks	0	0
12.3 Mortgage loans	0	0
12.4 Real estate	0	0
12.5 Other invested assets	0	0
12.6 Net gains or (losses) on cash, cash equivalents and short-term investments	0	0
12.7 Miscellaneous proceeds	0	0
12.8 Total investment proceeds (Lines 12.1 to 12.7)	41,086,929	99,927,655
13. Cost of investments acquired (long-term only):		
13.1 Bonds	52,921,183	169,000,683
13.2 Stocks	0	0
13.3 Mortgage loans	0	0
13.4 Real estate	0	0
13.5 Other invested assets	0	0
13.6 Miscellaneous applications	0	0
13.7 Total investments acquired (Lines 13.1 to 13.6)	52,921,183	169,000,683
14. Net increase (or decrease) in contract loans and premium notes	0	0
15. Net cash from investments (Line 12.8 minus Line 13.7 and Line 14)	(11,834,254)	(69,073,028)
Cash from Financing and Miscellaneous Sources		
16. Cash provided (applied):		
16.1 Surplus notes, capital notes	0	0
16.2 Capital and paid in surplus, less treasury stock	0	0
16.3 Borrowed funds	0	0
16.4 Net deposits on deposit-type contracts and other insurance liabilities		0
16.5 Dividends to stockholders	0	41,500,000
16.6 Other cash provided (applied)	22,690,217	(93,670,648)
17. Net cash from financing and miscellaneous sources (Line 16.1 through Line 16.4 minus Line 16.5 plus Line 16.6)	22,690,217	(135,170,648)
RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS		
18. Net change in cash, cash equivalents and short-term investments (Line 11, plus Lines 15 and 17)	19,419,003	(83,894,682)
19. Cash, cash equivalents and short-term investments:		
19.1 Beginning of year	124,649,396	208,544,078
19.2 End of period (Line 18 plus Line 19.1)	144,068,399	124,649,396

EXHIBIT OF PREMIUMS, ENROLLMENT AND UTILIZATION

	1	Comprehensive (Hospital & Medical)		4	5	6	7	8	9	10
	Total	2 Individual	3 Group	Medicare Supplement	Vision Only	Dental Only	Federal Employees Health Benefit Plan	Title XVIII Medicare	Title XIX Medicaid	Other
Total Members at end of:										
1. Prior Year	336,916	0	118,721	0	0	0	0	36,054	182,141	0
2 First Quarter	332,614		112,998					36,307	183,309	
3 Second Quarter	0									
4. Third Quarter	0									
5. Current Year	0									
6 Current Year Member Months	1,012,352		349,271					107,142	555,939	
Total Member Ambulatory Encounters for Period:										
7. Physician	608,499		497,954					109,153	1,392	
8. Non-Physician	73,216		23,880					9,819	39,517	
9. Total	681,715	0	521,834	0	0	0	0	118,972	40,909	0
10. Hospital Patient Days Incurred	85,070		10,132					26,710	48,228	
11. Number of Inpatient Admissions	13,940		2,010					3,389	8,541	
12. Health Premiums Written	312,016,099		91,379,850				2,234,007	91,203,902	127,198,340	
13. Life Premiums Direct	0									
14. Property/Casualty Premiums Written	0									
15. Health Premiums Earned	312,019,099		91,379,850				2,237,007	91,203,902	127,198,340	
16. Property/Casualty Premiums Earned	0									
17. Amount Paid for Provision of Health Care Services	272,780,861		76,205,369				2,607,463	70,939,981	123,028,048	
18. Amount Incurred for Provision of Health Care Services	273,065,815		77,523,485				2,865,828	71,901,363	120,775,139	

(a) For health premiums written: amount of Medicare Title XVIII exempt from state taxes or fees $ 91,203,902

CLAIMS UNPAID AND INCENTIVE POOL, WITHHOLD AND BONUS (Reported and Unreported)

Aging Analysis of Unpaid Claims

1 Account	2 1 - 30 Days	3 31 - 60 Days	4 61 - 90 Days	5 91 - 120 Days	6 Over 120 Days	7 Total
Claims Unpaid (Reported)						
0199999 Individually Listed Claims Unpaid	0	0	0	0	0	0
0299999 Aggregate Accounts Not Individually Listed-Uncovered						0
0399999 Aggregate Accounts Not Individually Listed-Covered						0
0499999 Subtotals	0	0	0	0	0	0
0599999 Unreported Claims and Other Claim Reserves	XXX	XXX	XXX	XXX	XXX	139,107,982
0699999 Total Amounts Withheld	XXX	XXX	XXX	XXX	XXX	27,954,815
0799999 Total Claims Unpaid	XXX	XXX	XXX	XXX	XXX	167,062,797
0899999 Accrued Medical Incentive Pool and Bonus Amounts	XXX	XXX	XXX	XXX	XXX	1,188,000

UNDERWRITING AND INVESTMENT EXHIBIT

ANALYSIS OF CLAIMS UNPAID - PRIOR YEAR - NET OF REINSURANCE

Line of Business	Claims Paid Year to Date		Liability End of Current Quarter		5	6
	1 On Claims Incurred Prior to January 1 of Current Year	2 On Claims Incurred During the Year	3 On Claims Unpaid Dec. 31 of Prior Year	4 On Claims Incurred During the Year	Claims Incurred in Prior Years (Columns 1 + 3)	Estimated Claim Reserve and Claim Liability Dec. 31 of Prior Year
1. Comprehensive (hospital & medical)	41,904,506	37,290,571	3,551,897	33,416,009	45,456,403	34,713,041
2. Medicare Supplement					0	0
3. Dental Only					0	0
4. Vision Only					0	0
5. Federal Employees Health Benefits Plan	1,450,504	1,673,689	102,424	1,500,422	1,552,928	1,327,772
6. Title XVIII - Medicare	35,755,541	35,730,275	6,087,814	43,632,135	41,843,355	45,262,292
7. Title XIX - Medicaid	71,957,958	51,991,493	10,038,015	69,143,132	81,995,973	90,857,466
8. Other Health					0	0
9. Health Subtotal (Lines 1 to 8)	151,068,509	126,686,028	19,780,150	147,691,698	170,848,659	172,160,571
10. Healthcare receivables (a)					0	0
11. Other non-health					0	0
12. Medical incentive pools and bonus amounts	(230,000)			1,188,000	(230,000)	958,000
13. Totals	150,838,509	126,686,028	19,780,150	148,879,698	170,618,659	173,118,571

(a) Excludes $ 0 loans and advances to providers not yet expensed.

NOTES TO FINANCIAL STATEMENTS

NOTES TO THE QUARTERLY STATEMENT
MARCH 31, 2008

1. DESCRIPTION OF BUSINESS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Description of Business – United Healthcare Plan of the River Valley, Inc. (the "Plan") is a wholly-owned subsidiary of UnitedHealthcare Services Company of the River Valley, Inc. UHS-RV is a wholly owned subsidiary of UnitedHealthcare, Inc. ("UHC"), which is a wholly-owned subsidiary of UnitedHealthcare Services, Inc. ("UHS"). UHS is a wholly owned subsidiary of UnitedHealth Group, Inc. ("UHG").

The Plan was incorporated on August 5, 1985 as a Health Maintenance Organization ("HMO"). Operations commenced in July 1986. The Plan is certified as an HMO by the Illinois Department of Financial and Professional Regulation, Division of Insurance ("IDOI"), by the Iowa Department of Commerce-Division of Insurance, by the State of Tennessee Department of Commerce and Insurance and by the Commonwealth of Virginia Bureau of Insurance. The Plan has contracted with physicians, hospitals and other health care provider organizations to deliver health care services for all enrollees.

The Plan is designated as a Competitive Medical Plan and has contracts with the Department of Health and Human Services Centers for Medicare and Medicaid Services ("CMS") to provide healthcare to Medicare qualified HMO enrollees. The Plan also participates as a managed care organization in the State of Tennessee's Medicaid program, TennCare, which operates under an Administration Services Only ("ASO") arrangement. The Plan also participated in the Iowa Medicaid program providing services through an organized delivery system of contracted physicians, hospitals, and ancillary providers. Effective June 30, 2004, the Plan exited the Iowa Medicaid program. See additional discussion at Note 7 regarding products in which the Plan participates.

The health care industry is subject to numerous laws and regulations of federal, state, and local governments. Compliance with these laws and regulations, specifically those relating to the Medicare and TennCare programs, can be subject to government review and interpretation, as well as regulatory actions unknown and unasserted at this time. Recently, federal government activity has increased with respect to investigations and allegations concerning possible violations by health care providers of regulations, which could result in the imposition of significant fines and penalties, as well as significant repayments of previously billed and collected revenues. Management believes that the Plan is in substantial compliance with current laws and regulations.

Significant Accounting Policies
The Plan prepares its statutory-basis financial statements in conformity with accounting practices prescribed or permitted by the Insurance Department of the State of Illinois ("statutory-basis"). The IDOI has adopted the statutory accounting principles and practices of the National Association of Insurance Commissioners ("NAIC") *Accounting Practices and Procedures* Manual, subject to any deviations prescribed or permitted by the IDOI ("NAIC SAP") which differ in certain respects from accounting principles generally accepted in the United States of America ("GAAP"). Major differences between GAAP and statutory-basis practices include the reporting of investments in accordance with Statement of Financial Accounting Standards No. 115 under GAAP and assets that are nonadmitted for statutory purposes.

Use of Estimates - The preparation of financial statements in conformity with NAIC SAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates. Significant accounts subject to change in the near term include claims unpaid, provider risk sharing arrangements, and premium deficiency reserves.

Claims unpaid reflect management's best current estimate of the cost of ultimate resolution of those claims incurred but not reported and/or paid as of the balance sheet date. However, additional facts and circumstances may develop which would affect the precision of the estimate of costs. Those facts and circumstances include, among other things, the ultimate

NOTES TO FINANCIAL STATEMENTS

extent and cost of resolving those claims, the resulting impact on risk sharing arrangements, and the amount of insurance recoveries.

Cash and Short Term Investments – Cash and short-Investments represent cash held by the Plan in disbursement accounts and money market instruments with a maturity of one year or less at the time of purchase. Claims and other payments are made from the disbursement accounts daily. Cash and short term investments are reported at cost which approximates market value. Cash overdrafts are a result of timing differences in funding disbursement accounts for claim payments.

Subsequent to February 26, 2006, cash and short-term investment investments also consist of the Plan's share of an investment pool sponsored and administered by UHS for the benefit of the UHS-owned health plans. The investment pool consists principally of investments with original maturities of less than one year with the average life of the individual investment being less than 60 days. The Plan's share of the pool represents an undivided ownership interest in the pool and is immediately convertible to cash at no cost or penalty. The pool is primarily invested in governmental obligations, commercial paper, certificates of deposit, and short-term agency notes and recorded at cost. Interest income from the pool accrues daily to participating members based on ownership percentage.

Bonds – Bonds include corporate bonds, government obligations, and municipal securities and are stated at amortized cost if they meet NAIC designation of one or two and are stated at the lower of amortized cost or and NAIC-determined market value if they meet and NAIC designation of three or higher. Amortization of bonds premium or discount is calculated using the constant-yield interest method. Bonds are valued and reported using market prices published by the NAIC Securities Valuation Office ("SVO") in accordance with the NAIC Valuations of Securities manual prepared by the SVO ("Valuations of Securities manual").

The Plan continually monitors the difference between the cost and estimated fair value of its other invested assets. If any of the Plan's other invested assets experience a decline in value that the Plan believes is other than temporary, the Plan records a realized loss in investment and other income in the statutory statements of operations. No such losses were incurred and recorded during the years ended December 31, 2007 and 2006.

Accounts Payable - Accounts payable includes a liability for guaranty fund and other assessments that represent funding mechanisms employed by states in which the Plan does business to provide funds to cover policy holder obligations of insolvent reporting entities and to subsidize certain losses of those insurers that cover individuals. As of December 31, 2007 and 2006, the Plan had $4,704,000 and $2,856,000, respectively, accrued for assessments related to the respective years.
Beginning in 2005, the Iowa Comprehensive Health Association annual assessments may be used to offset the premium tax liability to the extent of 20% of the amount of the assessment for each of the five calendar years following the year in which the assessment was paid. As of December 31, 2007 and 2006, the Plan has $1,757,855 and $660,837 of assessments to be offset against future premium tax liabilities, respectively.
Accounts payable also includes state income taxes payable.

Aggregate Write-Ins - Certain amounts are required under statutory-basis practices to be reported as aggregate write-ins. Included in the following captions are:

- ***For other than invested assets*** – Receivables related to government contracts.
- ***For other liabilities*** - Payables for cost contracts.
- ***For other than special surplus funds*** – State of Illinois mandatory contingency reserve of 2% of capitated revenue from provider risk arrangements, up to a maximum of $1,500,000.
- ***For other expenses*** – Fines and penalties.
- ***For other gains (losses) in surplus*** – Changes in nonadmitted assets and accruals affecting net income.

Revenues - Premium revenues are earned ratably over the terms of the contracts. Premiums billed and collected in advance are recorded as unearned premiums.
Medical and Hospital Expenses - Health care costs are accrued as services are rendered and include estimates for incurred but not reported claims.
Premium Deficiency Reserves - The Plan calculates and determines the need for a premium deficiency reserve based on contracts with remaining effective periods beyond December. The

NOTES TO FINANCIAL STATEMENTS

contracts are analyzed including remaining contractual premium compared to expected administrative costs, trended medical costs, and investment income. The analysis was done on stop loss and PPO business separately. No premium deficiency reserve was necessary as of December 31, 2007 and 2006.

Risk and Uncertainties - The Plan's business could be impacted by continuing price pressure on new and renewal business, the Plan's ability to effectively manage medical utilization and expenses, market competition, and federal and state legislation or governmental regulations of health insurers. Also, the Plan is subject to regulatory requirements as explained in Note 5.

Concentrations of Credit Risk - Financial instruments, which potentially subject the Plan to concentration of credit risk, consist principally of bonds and short-term investments. The Plan limits the amount of credit exposure by making investments of high credit quality.

2. ACCOUNTING CHANGES AND CORRECTION OF ERRORS

None.

3. BUSINESS COMBINATIONS

None.

4. DISCONTINUED OPERATIONS

None.

5. INVESTMENTS

At December 31, 2007 and 2006, certain long-term investments included in Bonds in the Statements of Admitted Assets, Liabilities, Capital and Surplus – Statutory Basis totaling $20,576,956 and $13,294,734 respectively, were held on deposit with trustees as required by Illinois, Tennessee, and Virginia insurance regulations.

Mortgage Loans—Not applicable.

Debt Restructuring-- Not applicable.

Reverse Mortgages—Not applicable.

Loan-Backed Securities – Loan-backed securities are carried at an amortized cost basis and are included in Bonds in the Statements of Admitted Assets, Liabilities, Capital and Surplus – Statutory-Basis.

For purposes of calculating the realized gains and losses on sales of investments, the amortized cost of each investment sold is used. The realized gains and losses are included in the net investment income earned in the statements of revenue and expenses – statutory basis.

Repurchase Agreements—Not applicable.

6. JOINT VENTURES, PARTNERSHIPS AND LIMITED LIABILITY COMPANIES

None.

7. INVESTMENT INCOME

The plan had no nonadmitted investment income due and accrued at December 31, 2007 and 2006.

8. DERIVATIVE INSTRUMENTS

None.

9. INCOME TAXES

The Plan's operations are included in the consolidated federal income tax return of UHG. Federal income taxes are paid to or refunded by UHG pursuant to the terms of a tax-sharing agreement, approved by the Board of Directors, under which taxes approximate the amount that would have been computed on a separate company basis. Income taxes incurred in the current and prior years will be available for recoupment by the Plan only in the event of future net losses of consolidated UHG. The Plan receives a benefit at the federal rate in the current year for net losses incurred in that year to the extent the losses can be utilized in the consolidated federal income tax return of UHG. The statutory basis financial statements, prepared in accordance with NAIC SAP

NOTES TO FINANCIAL STATEMENTS

instructions, require that the provision for state income taxes of $264,670 in 2007 and $195,561 in 2006 be included in general administrative expenses on the statutory statement of operations.

10. INFORMATION CONCERNING PARENT, SUBSIDIARIES AND AFFILIATES

Administrative services including claims processing, broker fees, marketing, quality assurance, financial, accounting, insurance, legal, and data processing, are provided to the Plan by its parent. Under the terms of agreements between the Plan and the parent, and approved by the IDOI, the parent charges the Plan for such services based on a per member per month fee for each line of business. Expenses charged to the Plan by the parent for the years ended December 31, 2007 and 2006 were $112,324,183 and $80,992,399, respectively, and are reported as claims adjustment expenses and general administrative expenses.

Until February 25, 2006, the Plan did not maintain a daily balance within its depository bank account. Rather, all available cash was invested in short-term investments. The daily net cash activity flowed through the Plan's depository bank account zero-balancing to a Deere & Company account with a daily entry through an affiliated receivable/payable account. The affiliated receivable/payable account was settled by the pln on a monthly basis.

At December 31, 2007 and 2006, the Plan reported $22,195,976 and $121,145 respectively, as a related party payable, which is included in the statutory statements of admitted assets, liabilities, and capital and surplus. Any balances are generally settled within 90 days from the incurred date. Receivables not settled within 90 days are considered a non-admitted asset and are excluded from the statutory statements of admitted assets, liabilities, and capital and surplus.

The Plan has a contract with United Behavioral Health, a wholly owned subsidiary of UHS, to provide mental health and substance abuse services to its enrollees. Fees related to this agreement which are calculated on a per member per month basis, of $6,852,278 2007 and $4,716,616 from February 24, 2006 through December 31, 2006 are included in medical services expenses in the accompanying statutory statements of revenue and expenses – statutory basis.

The company has an agreement with United Resource Network, a division of UHS, to provide access to a network of transplant providers for its enrollees. Fees related to this agreement which are calculated on a per member per month basis, of $371,509 in 2007 and $137,759 from February 24, 2006 through December 31, 2006 are included in medical services expenses in the accompanying statutory statements of revenue and expenses – statutory basis.

The company has an agreement with OPTUM, a division of UHS, to provide a 24-hour call-in service called Care24 to its enrollees. Fees related to this agreement which are calculated on a per member per month basis, of $1,196,539 in 2007 and $2,837,606 from February 24, 2006 through December 31, 2006 are included in medical services expenses in the accompanying statutory statements of revenue and expenses – statutory basis.

Effective January 1, 2007, the Company has an agreement with ACN Group, Inc., a wholly owned subsidiary of UHS, to provide chiropractic and physical therapy services for its enrollees. Fees related to this agreement which are calculated on a per member per month basis, of $493,373 in 2007.

The Plan has an insolvency-only reinsurance agreement with United healthcare Insurance Company ("UHIC"), a wholly owned subsidiary of UHIC Holdings, Inc. (formerly know as Unimerica, Inc.), which is a wholly owned subsidiary of UHS, to provide insolvency protection for its enrollees. Reinsurance premiums which are calculated on a percentage of member premium revenues, of approximately $583,834 from February 24, 2006 through December 31, 2006 are netted against premium revenues in the accompanying statutory statement of revenue and expenses – statutory basis. Reinsurance recoveries of approximately $595,213 from Feburary 24, 2006 through December 31, 2006 are netted against medical services expenses in the accompanying statutory statements of revenue and expenses – statutory basis. There were no reinsurance receivables related to this agreement at December 31, 2006. Reinsurance contracts do not relieve the company from its obligations to policyholders. Failure of reinsurers to honor their obligations could result in losses to the Plan.

NOTES TO FINANCIAL STATEMENTS

The Company has some premium payments that are received and some claim payments that are processed by an affiliated UHG entity. Both premiums and claims applicable to the Company are settled through the intercompany settlement process and any amounts outstanding are reflected in the related party balances in the accompanying statutory statements of admitted assets, liabilities, and capital and surplus.

11. DEBT

None.

12. RETIREMENT PLANS, DEFERRED COMPENSATION, POSTEMPLOYMENT BENEFITS AND COMPENSATED ABSENCES AND OTHER POSTRETIREMENT BENEFIT PLANS

None.

13. CAPITAL AND SURPLUS, SHAREHOLDERS' DIVIDEND RESTRICTIONS AND QUASI-REORGANIZATIONS

Capital stock consists of common stock at stated value with no par value and no stated dividend rate. One thousand shares are authorized; ten shares are issued and outstanding. The Plan may make an ordinary dividend payment to its stockholder in an amount not to exceed the greater of ten percent of the Plan's capital and surplus or the Plan's net income for the previous year. A dividend of $41,500,000 was paid in 2007. No dividend was paid in 2006. When considering a dividend in 2008, the maximum for an ordinary dividend is the Plan's net income in 2007.

No capital contributions were received in 2007 or 2006. Unassigned surplus was decreased by the change in nonadmitted asset values of $(51,162,246) and $1,018,487 as of December 31, 2007 and 2006, respectively.

There were no aggregate unrealized gains (losses) at December 31, 2007 or 2006. At December 31, 2007 and 2006, nonadmitted assets were $51,670,555 and $110,359, respectively.

The Plan is required to provide a contingency reserve based on 2% of the net capitation revenue from risk contracts limited to $1,500,000. The Plan's accumulated reserve reached $1,500,000 during 1989 and such reserve has been recorded as a part of capital and surplus.

CONTINGENCIES

***Contingent Commitments*—**Not applicable.

Assessments- Accounts payable includes a liability for guaranty fund and other assessments that represent funding mechanisms employed by states in which the Plan does business to provide funds to cover policy holder obligations of insolvent reporting entities and to subsidize certain losses of those insurers that cover individuals. As of December 31, 2007 and 2006, the Plan had $4,704,000 and $2,856,000, respectively, accrued for assessments related to the respective years.

Beginning in 2005, the Iowa Comprehensive Health Association annual assessments may be used to offset the premium tax liability to the extent of 20% of the amount of the assessment for each of the five calendar years following the year in which the assessment was paid. As of December 31, 2007 and 2006, the Plan has $1,757,855 and $660,837 of assessments to be offset against future premium tax liabilities, respectively.

***Gain Contingencies*—**None.

All Other Contingencies - In the normal course of business, the Plan, from time to time, may become involved in litigation incidental to the business. The Plan believes that it has substantial defenses and intends to defend such actions vigorously. Although it is not possible to predict the outcome of any unresolved legal matters, the Plan does not believe that such matters will have a material adverse effect on its financial position or results of operations.

14. LEASES

None.

15. OFF-BALANCE SHEET RISK

None.

NOTES TO FINANCIAL STATEMENTS

16. SALE, TRANSFER AND SERVICING OF FINANCIAL ASSETS AND EXTINGUISHMENT OF LIABILITIES

None.

17. GAIN OR LOSS TO THE REPORTING ENTITY FROM UNINSURED PLANS AND THE UNINSURED PORTION OF PARTIALLY INSURED PLANS

Administration Services Only (ASO)— TennCare - The Plan participates as a contracted managed care organization ("MCO") in the TennCare program. TennCare is a project authorized through a conditional waiver by CMS that replaced the State of Tennessee's Medicaid program on January 1, 1994. Uninsured individuals and Medicaid eligible individuals who enroll in the TennCare program receive prepaid health care through participating MCO's.

The Plan received $12,681,304 and $10,870,773 in administrative service revenue in 2007 and 2006 respectively, under this arrangement, which is recognized as a reduction of general administrative expenses. Total membership at December 31, 2007 and 2006 under the ASO arrangement is 85,130 and 78,190, respectively.

There was no net gain or loss from the ASO arrangement in 2007 and 2006. The claim payment volume for 2007 and 2006 under the ASO arrangement totaled $156,870,828 and $157,413,710, respectively.

Administration Service Contracts (ASC)—None.

Medicare - Revenues are based on a budgeted amount reimbursed monthly by CMS and then adjusted to actual based on a year-end cost report. CMS has the option to audit the cost reports filed by the Plan and thus adjustments to recorded amounts may occur based on these audits. All cost reports for 2003 and prior have been settled with CMS.

The Plan operated under a Medicare Advantage contract in all states in 2006 and 2005. Under the contracts, CMS makes a single monthly capitation payment to the Plan for each of its enrollees. The Plan provides services through an organized delivery system of contracted physicians, hospitals, and ancillary providers.

Medicare premium revenue, including Medicare Part D, recognized for the years ended December 31, 2007 and 2006, was $310,047,106 and $276,966,561, respectively.

18. MANAGING GENERAL AGENTS

None.

19. SEPTEMBER 11 EVENTS

None.

20. OTHER ITEMS

Extraordinary Items—None.

Troubled Debt Restructuring (Debtors)—None.

21. SUBSEQUENT EVENTS

None.

22. REINSURANCE

Ceded Reinsurance Report – Section 1- General Interrogatories- 1. Are any of the reinsurers, listed in Schedule S as non-affiliated, owned in excess of 10% or controlled, either directly or indirectly, by the company or by any representative, officer, trustee, or director of the company? Response: **NO**

2. Have any policies issued by the company been reinsured with a company chartered in a country other than the United States that is owned in excess of 10% or controlled directly or indirectly by an insured, a beneficiary, a creditor or an insured or any other person no primarily engaged in the insurance business? Response: **NO**

Section 2- 1. Does the company have any reinsurance agreements in effect under which the reinsurer may unilaterally cancel any reinsurance for reasons other than for nonpayment of premium or other similar credit? Response: **NO**

Does the reporting entity have any reinsurance agreements in effect such that the amount of losses paid or accrued through the statement date may result in a payment to the reinsurer of amounts that, in aggregate and allowing for offset of mutual credits from other reinsurance

NOTES TO FINANCIAL STATEMENTS

agreements with the same reinsurer, exceed the total direct premium collected under the reinsured policies? Response: **NO** Section 3- 1. What in the estimated amount of the aggregate reduction in surplus (for agreements other than those under which the reinsurer may unilaterally cancel for reasons other than for nonpayment of payment or other similar credits that are reflected in Section 2 above) of termination of ALL reinsurance agreements, by either party, as of the date of this statement? Response: **NONE**
2. Have any new agreements been executed or existing agreements amended since January 1, 2004 to include policies or contracts that were in force or which had existing reserves established by the company as of the effective date of the agreement? Response: **NO**

Uncollectible Reinsurance- None.

Communication of Ceded Reinsurance- None.

Other Disclosures

Gross reinsurance expenses, included within premium revenues, for the years ended December 31, 2007 and 2006 were $611,933 and $691,117, respectively.
Reinsurance recoveries, which are recorded as net reinsurance recoveries, for the years ended December 31, 2007 and 2006 were $612,280 and $595,128, respectively. There were no reinsurance receivables or payables as of December 31, 2007 and 2006.

23. RETROSPECTIVELY RATED CONTRACTS

Federal Employees Health Benefits Program - On January 1, 2005, the Plan entered into a retrospectively rated contract with the Federal Employees Health Benefits Program ("FEHBP"). A retrospective premium adjustment was calculated by comparing the earned premium to the estimated incurred medical, administrative, and service fee expenses. These incurred expenses included paid and unpaid expenses. The incurred but not reported ("IBNR") expenses were estimated using the actuarial methods described in Note 9. In 2007 and 2006, the Plan recorded a retrospective premium adjustment and a corresponding liability of $3,640,823 and $2,025,773, respectively, which is included in aggregate health policy reserves in the Statement of Admitted Assets, Liabilities, Capital and Surplus – Statutory-Basis. The net premium written in this retrospectively rated contract for 2007 and 2006 was $13,444,384 and $13,102,507, respectively.

24. CLAIMS UNPAID

Unpaid claims liability is developed using actuarial methods. History of actual claim payments is plotted on a matrix with incurred periods along the X-axis and payment months along the Y-axis. Estimated monthly claim behavior is developed from this data. Enrollment for each month is monitored to determine potential impact on claims incurred. Additional relevant information is evaluated to support unpaid claim liability calculations such as the number of claim opportunity days each month, the number of claim processing days each month, claim processing production statistics, claim volume received statistics, significant claims known, reinsurance, coordinated benefits, subrogation and other recoveries, implementation of new health care cost management programs, and any other information that may arise.
Using the above data, the current period estimate is developed. The expense per member per month is tested against historical trends and additional relevant information. Prior period unpaid claims estimates are evaluated using the lagged claim data. The liability has not been calculated using any special consideration for toxic waste cleanup, asbestos-related illnesses or other environmental remediation exposures as management does not believe that any significant exposure exists. An external actuary also certifies the Plan's reserves at December 31 of each year.
Unpaid claims and accrued medical incentive pool liability balances as of December 31, 2007 and 2006 were $171,753,087 and $88,651,659, respectively.

NOTES TO FINANCIAL STATEMENTS

Total incurred claims above include out-of-period adjustments relating to changes in estimates for claims unpaid and provider risk sharing arrangements.
The majority of amounts withheld relating to provider risk sharing arrangements are accounted for in claims unpaid on the Statements of Admitted Assets, Liabilities, Capital and Surplus – Statutory-Basis. The remaining components of the provider risk sharing arrangements are in the accrued medical incentive pool and health care receivables. The impact of provider risk sharing arrangements is reflected as incentive pool and withhold adjustments in the Statements of Revenue and Expenses – Statutory-Basis, and is included in current year incurred claims above.

The liability for claims unpaid at December 31, 2005 exceeded actual claims paid in 2006 related to prior years by approximately $7,400,000. This favorable result was reduced by provider risk sharing adjustments relating to years 2005 and prior of approximately $52,000.

The liability for claims unpaid at December 31, 2006 was less than actual claims paid in 2007 related to prior years by approximately $3,282,000. This unfavorable result was offset by provider risk sharing adjustments relating to years 2006 and prior of approximately $167,000.

25. INTERCOMPANY POOLING ARRANGEMENTS
None.

26. STRUCTURED SETTLEMENTS
Not applicable.

27. HEALTHCARE RECEIVABLES
The risk sharing receivables were nonadmitted.

28. PARTICIPATING POLICIES
None.

29. PREMIUM DEFICIENCY RESERVES
The Plan actuarially calculates and determines the need for a premium deficiency reserve based on contracts with remaining effective periods beyond December. The contracts are analyzed including remaining contractual premium compared to expected administrative costs, trended medical costs, investment income, and incentive pool and withhold adjustments. The analysis is done using large group business combined, small group business combined, and Hawk-I. No premium deficiency reserve was necessary as of December 31, 2007 and 2006.

30. ANTICIPATED SALVAGE AND SUBROGATION
None.

GENERAL INTERROGATORIES

(Responses to these interrogatories should be based on changes that have occurred since the prior year end unless otherwise noted.)

PART 1 - COMMON INTERROGATORIES
GENERAL

1.1 Did the reporting entity experience any material transactions requiring the filing of Disclosure of Material Transactions with the State of Domicile, as required by the Model Act? ..... Yes [ ] No [X]

1.2 If yes, has the report been filed with the domiciliary state? ..... Yes [ ] No [ ]

2.1 Has any change been made during the year of this statement in the charter, by-laws, articles of incorporation, or deed of settlement of the reporting entity? ..... Yes [ ] No [X]

2.2 If yes, date of change: .....

If not previously filed, furnish herewith a certified copy of the instrument as amended.

3. Have there been any substantial changes in the organizational chart since the prior quarter end? ..... Yes [X] No [ ]

If yes, complete the Schedule Y - Part 1 - organizational chart.

4.1 Has the reporting entity been a party to a merger or consolidation during the period covered by this statement? ..... Yes [ ] No [X]

4.2 If yes, provide the name of entity, NAIC Company Code, and state of domicile (use two letter state abbreviation) for any entity that has ceased to exist as a result of the merger or consolidation.

1 Name of Entity	2 NAIC Company Code	3 State of Domicile

5. If the reporting entity is subject to a management agreement, including third-party administrator(s), managing general agent(s), attorney-in-fact, or similar agreement, have there been any significant changes regarding the terms of the agreement or principals involved? ..... Yes [ ] No [X] NA [ ]

If yes, attach an explanation.

6.1 State as of what date the latest financial examination of the reporting entity was made or is being made. 12/31/2002

6.2 State the as of date that the latest financial examination report became available from either the state of domicile or the reporting entity. This date should be the date of the examined balance sheet and not the date the report was completed or released. 12/31/2002

6.3 State as of what date the latest financial examination report became available to other states or the public from either the state of domicile or the reporting entity. This is the release date or completion date of the examination report and not the date of the examination (balance sheet date). 04/23/2004

6.4 By what department or departments?

Illinois Department of Insurance.....

6.5 Have all financial statement adjustments within the latest financial examination report been accounted for in a subsequent financial statement filed with Departments? ..... Yes [X] No [ ] NA [ ]

6.6 Have all of the recommendations within the latest financial examination report been complied with?..... Yes [X] No [ ] NA [ ]

7.1 Has this reporting entity had any Certificates of Authority, licenses or registrations (including corporate registration, if applicable) suspended or revoked by any governmental entity during the reporting period?..... Yes [ ] No [X]

7.2 If yes, give full information:

.....

8.1 Is the company a subsidiary of a bank holding company regulated by the Federal Reserve Board?..... Yes [ ] No [X]

8.2 If response to 8.1 is yes, please identify the name of the bank holding company.

.....

8.3 Is the company affiliated with one or more banks, thrifts or securities firms?..... Yes [X] No [ ]

8.4 If response to 8.3 is yes, please provide below the names and location (city and state of the main office) of any affiliates regulated by a federal regulatory services agency [i.e. the Federal Reserve Board (FRB), the Office of the Comptroller of the Currency (OCC), the Office of Thrift Supervision (OTS), the Federal Deposit Insurance Corporation (FDIC) and the Securities Exchange Commission (SEC)] and identify the affiliate's primary federal regulator.]

1 Affiliate Name	2 Location (City, State)	3 FRB	4 OCC	5 OTS	6 FDIC	7 SEC
OptumHealth Bank Inc.	Salt Lake City, Utah	No	No	No	Yes	No

GENERAL INTERROGATORIES

9.1 Are the senior officers (principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions) of the reporting entity subject to a code of ethics, which includes the following standards? Yes [X] No [ ]

(a) Honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships;

(b) Full, fair, accurate, timely and understandable disclosure in the periodic reports required to be filed by the reporting entity;

(c) Compliance with applicable governmental laws, rules and regulations;

(d) The prompt internal reporting of violations to an appropriate person or persons identified in the code; and

(e) Accountability for adherence to the code.

9.11 If the response to 9.1 is No, please explain:

9.2 Has the code of ethics for senior managers been amended? Yes [ ] No [X]

9.21 If the response to 9.2 is Yes, provide information related to amendment(s).

9.3 Have any provisions of the code of ethics been waived for any of the specified officers? Yes [ ] No [X]

9.31 If the response to 9.3 is Yes, provide the nature of any waiver(s).

FINANCIAL

10.1 Does the reporting entity report any amounts due from parent, subsidiaries or affiliates on Page 2 of this statement? Yes [ ] No [X]

10.2 If yes, indicate any amounts receivable from parent included in the Page 2 amount: $

INVESTMENT

11.1 Were any of the stocks, bonds, or other assets of the reporting entity loaned, placed under option agreement, or otherwise made available for use by another person? (Exclude securities under securities lending agreements.) Yes [ ] No [X]

11.2 If yes, give full and complete information relating thereto:

12. Amount of real estate and mortgages held in other invested assets in Schedule BA: $ 0

13. Amount of real estate and mortgages held in short-term investments: $ 0

14.1 Does the reporting entity have any investments in parent, subsidiaries and affiliates? Yes [ ] No [X]

14.2 If yes, please complete the following:

	1 Prior Year-End Book/Adjusted Carrying Value	2 Current Quarter Book/Adjusted Carrying Value
14.21 Bonds	$	$
14.22 Preferred Stock	$	$
14.23 Common Stock	$	$
14.24 Short-Term Investments	$	$
14.25 Mortgage Loans on Real Estate	$	$
14.26 All Other	$	$
14.27 Total Investment in Parent, Subsidiaries and Affiliates (Subtotal Lines 14.21 to 14.26)	$ 0	$ 0
14.28 Total Investment in Parent included in Lines 14.21 to 14.26 above	$	$

15.1 Has the reporting entity entered into any hedging transactions reported on Schedule DB? Yes [ ] No [X]

15.2 If yes, has a comprehensive description of the hedging program been made available to the domiciliary state? Yes [ ] No [ ]
If no, attach a description with this statement.

GENERAL INTERROGATORIES

16. Excluding items in Schedule E, real estate, mortgage loans and investments held physically in the reporting entity's offices, vaults or safety deposit boxes, were all stocks, bonds and other securities, owned throughout the current year held pursuant to a custodial agreement with a qualified bank or trust company in accordance with Section 3, III Conducting Examinations, G - Custodial or Safekeeping Agreements of the NAIC Financial Condition Examiners Handbook? ..... Yes [X] No [ ]

16.1 For all agreements that comply with the requirements of the NAIC Financial Condition Examiners Handbook, complete the following:

1 Name of Custodian(s)	2 Custodian Address
State Street Bank	801 Pennsylvania, Kansas City, MO 64105

16.2 For all agreements that do not comply with the requirements of the NAIC Financial Condition Examiners Handbook, provide the name, location and a complete explanation:

1 Name(s)	2 Location(s)	3 Complete Explanation(s)

16.3 Have there been any changes, including name changes in the custodian(s) identified in 16.1 during the current quarter? ..... Yes [ ] No [X]

16.4 If yes, give full and complete information relating thereto:

1 Old Custodian	2 New Custodian	3 Date of Change	4 Reason

16.5 Identify all investment advisors, brokers/dealers or individuals acting on behalf of broker/dealers that have access to the investment accounts, handle securities and have authority to make investments on behalf of the reporting entity:

1 Central Registration Depository	2 Name(s)	3 Address
113972	Standish Mellon Asset Management Company	One Boston Place, Suite 024-0344, Boston MA 02108

17.1 Have all the filing requirements of the *Purposes and Procedures Manual* of the NAIC Securities Valuation Office been followed? ..... Yes [X] No [ ]

17.2 If no, list exceptions:

.....

SCHEDULE S - CEDED REINSURANCE

Showing All New Reinsurance Treaties - Current Year to Date

1 NAIC Company Code	2 Federal ID Number	3 Effective Date	4 Name of Reinsurer	5 Location	6 Type of Reinsurance Ceded	7 Is Insurer Authorized? (Yes or No)
			ACCIDENT AND HEALTH AFFILIATES			
			ACCIDENT AND HEALTH NON-AFFILIATES			
			LIFE AND ANNUITY AFFILIATES			
			LIFE AND ANNUITY NON-AFFILIATES			
			PROPERTY/CASUALTY AFFILIATES			
			PROPERTY/CASUALTY NON-AFFILIATES			

NONE

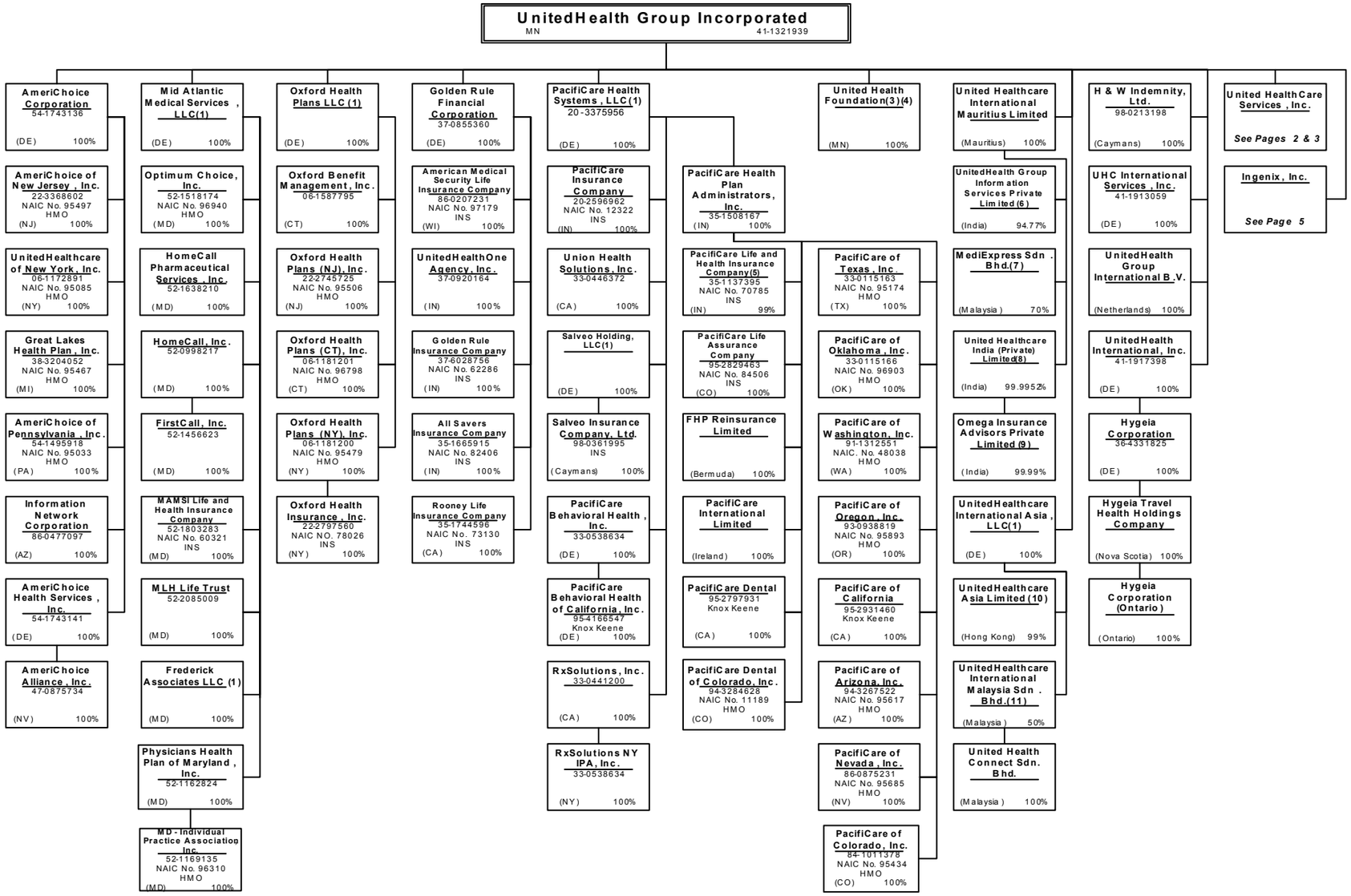
SCHEDULE T - PREMIUMS AND OTHER CONSIDERATIONS

Current Year to Date - Allocated by States and Territories

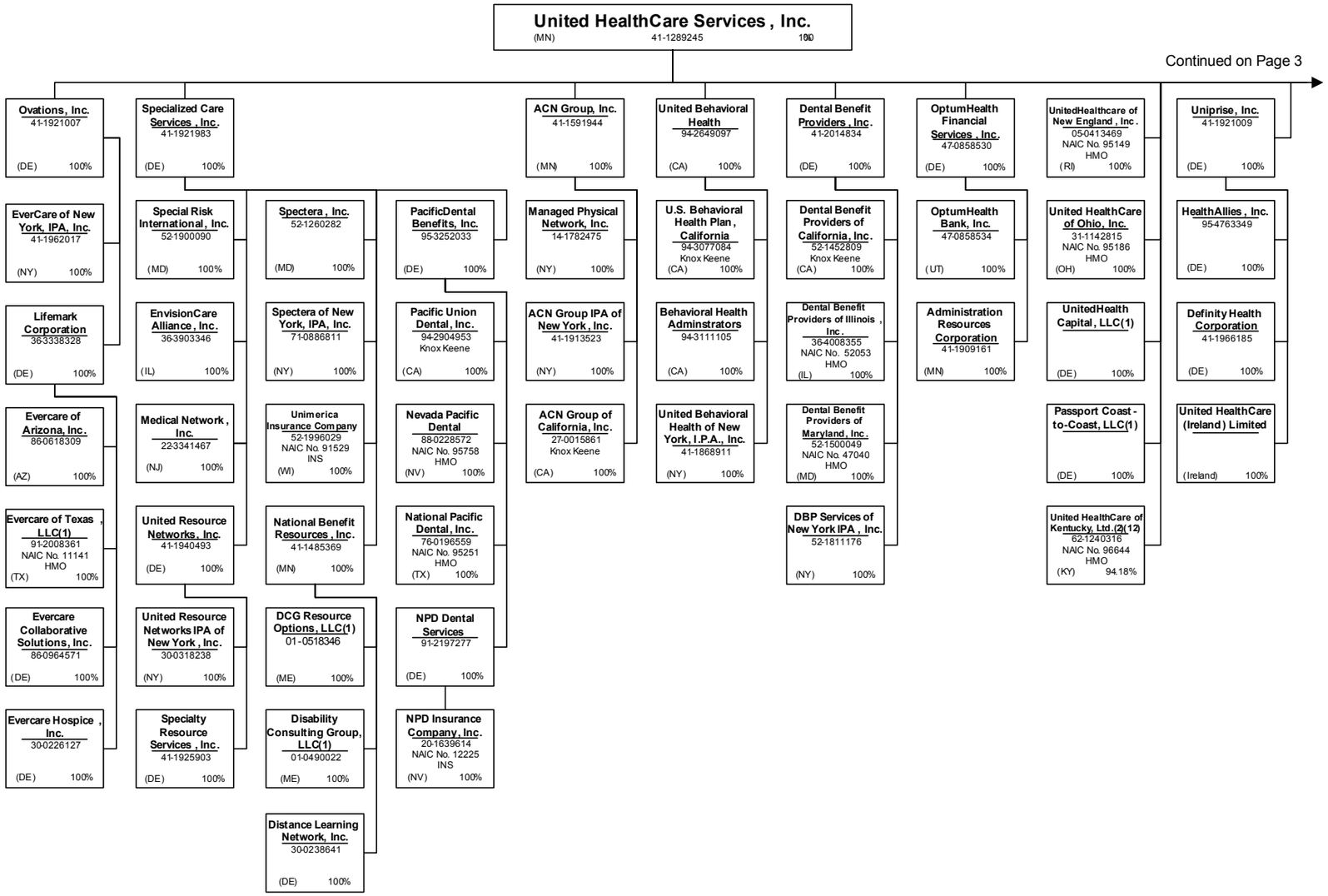
	1	Direct Business Only							
		2	3	4	5	6	7	8	9
States, Etc.	Active Status	Accident & Health Premiums	Medicare Title XVIII	Medicaid Title XIX	Federal Employees Health Benefit Program Premiums	Life & Annuity Premiums & Other Considerations	Property/ Casualty Premiums	Total Columns 2 Through 7	Deposit-Type Contracts
1. Alabama AL								0	
2. Alaska AK								0	
3. Arizona AZ								0	
4. Arkansas AR								0	
5. California CA								0	
6. Colorado CO								0	
7. Connecticut CT								0	
8. Delaware DE								0	
9. District of Columbia DC								0	
10. Florida FL								0	
11. Georgia GA								0	
12. Hawaii HI								0	
13. Idaho ID								0	
14. Illinois IL	L	11,583,370						11,583,370	
15. Indiana IN								0	
16. Iowa IA	L	44,447,454	7,087,541		2,234,007			53,769,002	
17. Kansas KS								0	
18. Kentucky KY								0	
19. Louisiana LA								0	
20. Maine ME								0	
21. Maryland MD								0	
22. Massachusetts MA								0	
23. Michigan MI								0	
24. Minnesota MN								0	
25. Mississippi MS								0	
26. Missouri MO								0	
27. Montana MT								0	
28. Nebraska NE								0	
29. Nevada NV								0	
30. New Hampshire NH								0	
31. New Jersey NJ								0	
32. New Mexico NM								0	
33. New York NY								0	
34. North Carolina NC								0	
35. North Dakota ND								0	
36. Ohio OH								0	
37. Oklahoma OK								0	
38. Oregon OR								0	
39. Pennsylvania PA								0	
40. Rhode Island RI								0	
41. South Carolina SC								0	
42. South Dakota SD								0	
43. Tennessee TN	L	27,886,250	84,034,119	127,198,340				239,118,709	
44. Texas TX								0	
45. Utah UT								0	
46. Vermont VT								0	
47. Virginia VA	L	7,462,776	82,242					7,545,018	
48. Washington WA								0	
49. West Virginia WV								0	
50. Wisconsin WI								0	
51. Wyoming WY								0	
52. American Samoa AS								0	
53. Guam GU								0	
54. Puerto Rico PR								0	
55. U.S. Virgin Islands VI								0	
56. Northern Mariana Islands MP								0	
57. Canada CN								0	
58. Aggregate Other Alien OT	XXX	0	0	0	0	0	0	0	0
59. Subtotal	XXX	91,379,850	91,203,902	127,198,340	2,234,007	0	0	312,016,099	0
60. Reporting entity contributions for Employee Benefit Plans	XXX							0	
61. Total (Direct Business)	(a) 4	91,379,850	91,203,902	127,198,340	2,234,007	0	0	312,016,099	0
DETAILS OF WRITE-INS									
5801.	XXX								
5802.	XXX								
5803.	XXX								
5898. Summary of remaining write-ins for Line 58 from overflow page	XXX	0	0	0	0	0	0	0	0
5899. Totals (Lines 5801 through 5803 plus 5898) (Line 58 above)	XXX	0	0	0	0	0	0	0	0

(a) Insert the number of L responses except for Canada and other Alien.

SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF A HOLDING COMPANY GROUP
PART 1 - ORGANIZATIONAL CHART

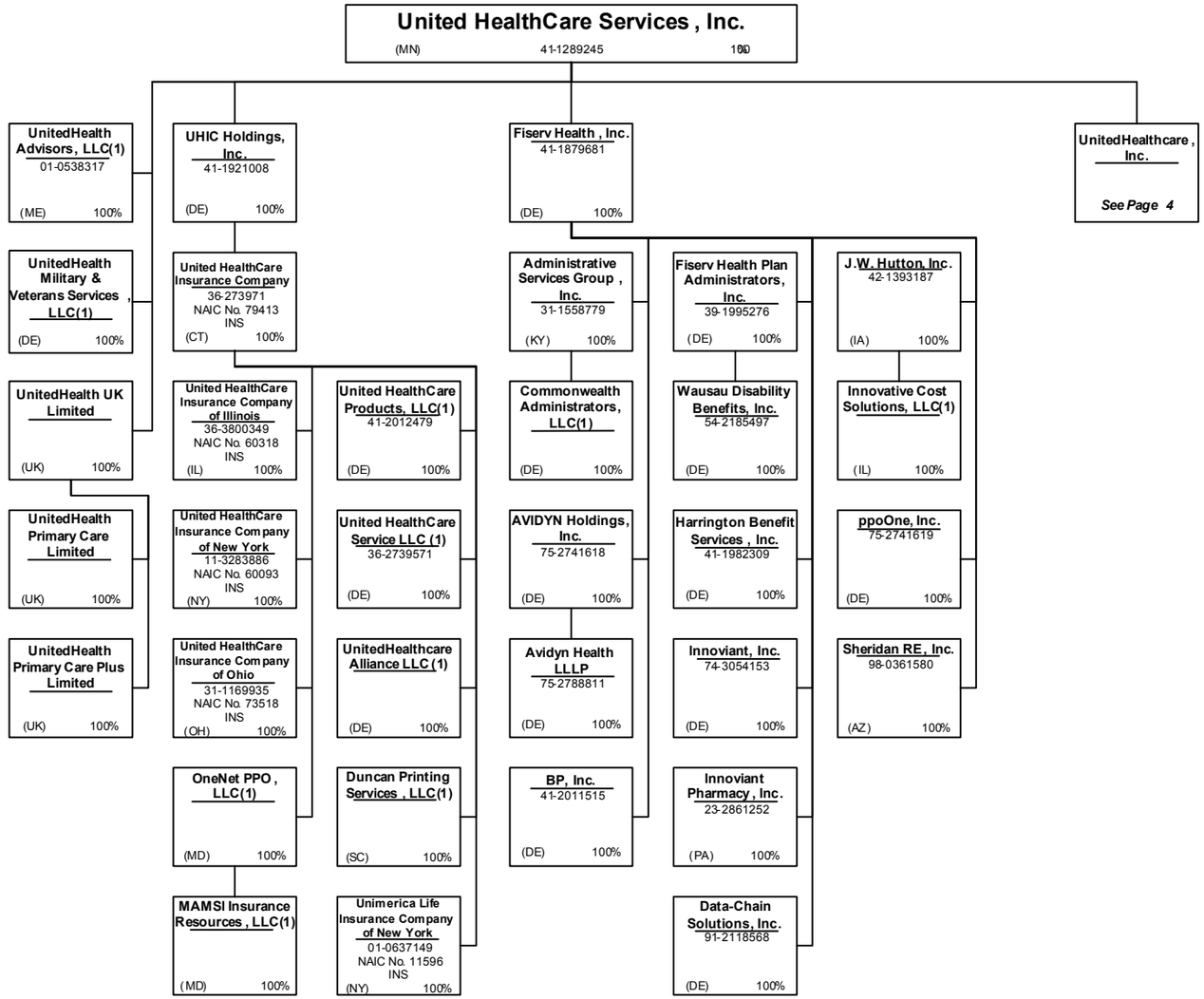


SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF A HOLDING COMPANY GROUP
PART 1 - ORGANIZATIONAL CHART

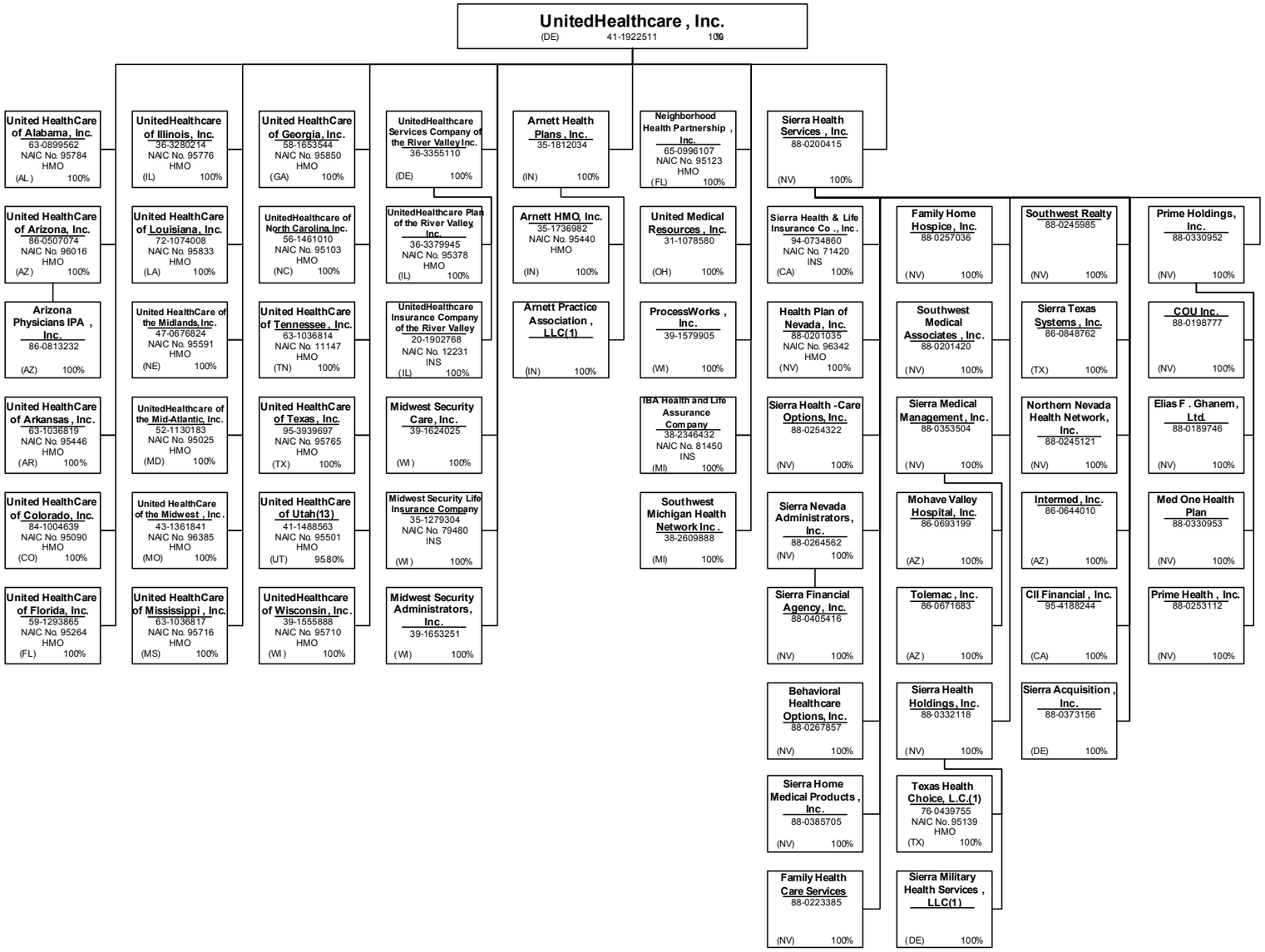


SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF A HOLDING COMPANY GROUP
PART 1 - ORGANIZATIONAL CHART

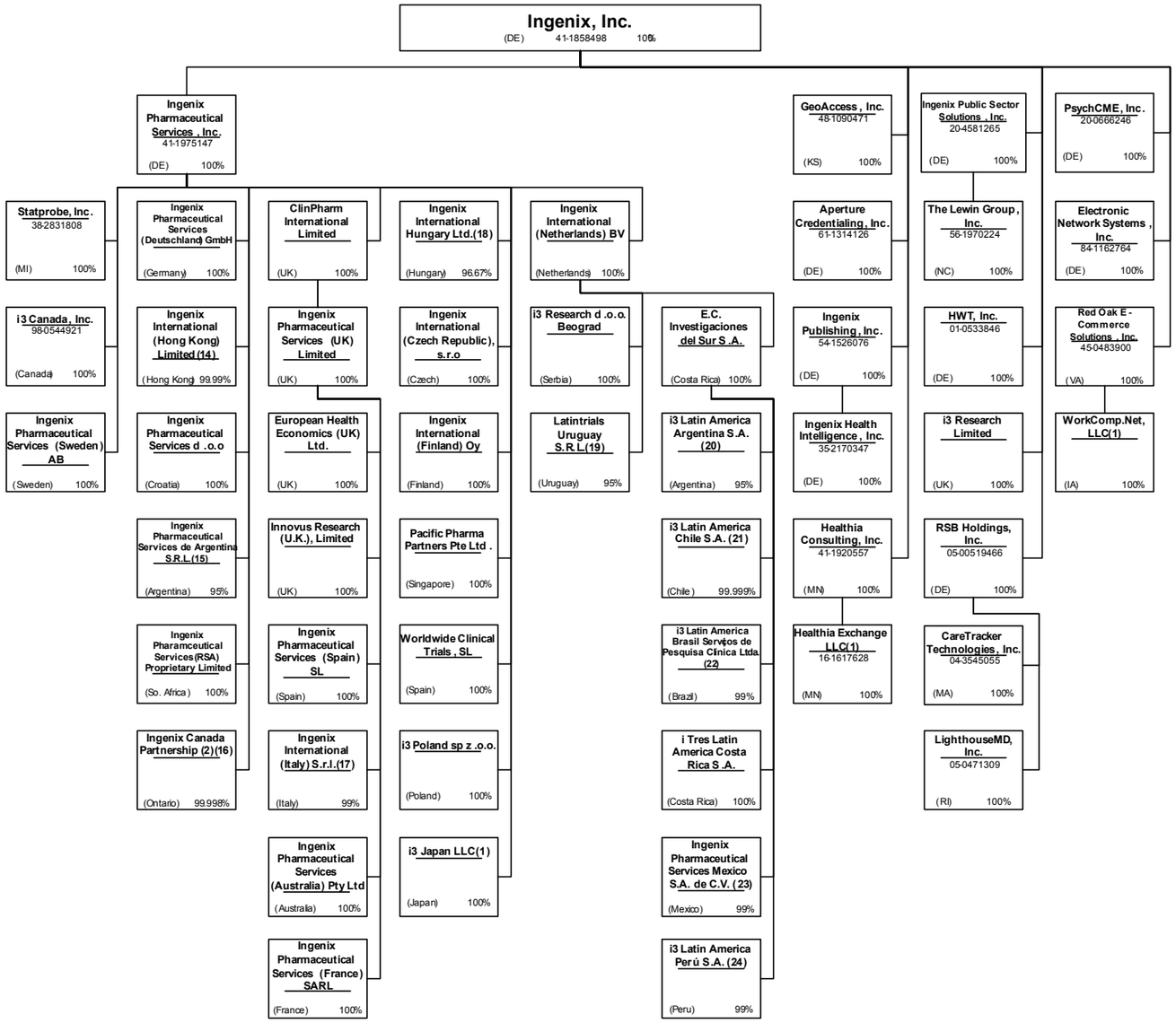
Continued from Page 2



SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF A HOLDING COMPANY GROUP
PART 1 - ORGANIZATIONAL CHART



SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF A HOLDING COMPANY GROUP
PART 1 - ORGANIZATIONAL CHART



SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF A HOLDING COMPANY GROUP
PART 1 - ORGANIZATIONAL CHART

Notes

All legal entities on the Organization Chart are Corporations unless otherwise indicated

(1) Entity is a Limited Liability Company

(2) Entity is a Partnership

(3) Entity is a Non-Profit Corporation

(4) Control of the Foundation is based on sole membership, not the ownership of voting securities

(5) PacifiCare Life and Health Insurance Company is 99% owned by PacifiCare Health Plan Administrators, Inc. and 1% owned by PacifiCare Health Systems, LLC

(6) UnitedHealth Group Information Services Private Limited is 94.77% owned by United Healthcare International Mauritius Limited and 5.15% owned by United HealthCare Services, Inc.. The remaining 0.09% is owned by UnitedHealth International, Inc.

(7) MediExpress Sdn. Bhd.is 70% owned United Healthcare International Mauritius Limited and 30% owned by individual shareholders

(8) United Healthcare India (Private) Limited is 99.9952% owned by United Healthcare International Mauritius Limited and 0.0048% owned by UnitedHealth International, Inc.

(9) Omega Insurance Advisors Private Limited is 99.99% owned by United Healthcare India (Private) Limited and 0.01% owned by an individual shareholder

(10) UnitedHealthcare Asia Limited is 99% owned by UnitedHealthcare International Asia, LLC and 1% owned by UnitedHealth International, Inc.

(11) UnitedHealthcare International Malaysia Sdn. Bhd. Is 50% owned by UnitedHealthcare International Asia, LLC and 50% owned by UnitedHealthcare Asia Limited

(12) General partnership interests are held by United HealthCare Services, Inc. (89.77%) and by UnitedHealthcare, Inc. (10.23%). United HealthCare Services, Inc. also holds 100% of the limited partnership interests. When combining general and limited partner interests, United HealthCare Services, Inc. owns 94.18% and UnitedHealthcare, Inc. owns 5.83%

(13) United HealthCare of Utah is 95.80% owned by UnitedHealthcare, Inc. and 4.20% owned by 34 physicians / physician groups

(14) Ingenix International (Hong Kong) Limited is 99.99% owned by Ingenix Pharmaceutical Services, Inc. and 0.01% owned by Ingenix, Inc.

(15) Ingenix Pharmaceutical Services de Argentina S.R.L is 95% owned by Ingenix Pharmaceutical Services, Inc. and 5% owned by Ingenix, Inc.

(16) Ingenix Canada Partnership is 99.998% owned by Ingenix Pharmaceutical Services, Inc. and 0.002% owned by Ingenix, Inc.

(17) Ingenix International (Italy) S.r.l. is 99% owned by Ingenix Pharmaceutical Services (UK) Limited and 1% owned by ClinPharm International Limited

(18) Ingenix International Hungary Ltd.is 96.67% owned by Ingenix Pharmaceutical Services, Inc. and 3.33% owned by Ingenix, Inc.

(19) Latintrials Uruguay S.R.L. is 95% owned by Ingenix International (Netherlands) BV and 5% owned by Ingenix Pharmaceutical Services, Inc.

(20) i3 Latin America Argentina S.A. is 95% owned by E.C. Investigaciones del Sur S.A. and 5% owned by i Tres Latin America Costa Rica SA.

(21) i3 Latin America Chile S.A. is 99.999% owned by E.C. Investigaciones del Sur S.A. and 0.001% owned by i Tres Latin America Costa Rica SA.

(22) i3 Latin America Brasil Serviços de Pesquisa Clínica Ltda. Is 99% owned by E.C. Investigaciones del Sur S.A. and 1% owned by i Tres Latin America Costa Rica SA.

(23) Ingenix Pharmaceutical Services Mexico SA. de C.V. is 99% owned by E.C. Investigaciones del Sur S.A. and 1% owned by i3 Latin America Argentina S.A.

(24) i3 Latin America Perú S.A. is 99% owned by E.C. Investigaciones del Sur S.A. and 1% owned by i3 Latin America Argentina S.A.

SUPPLEMENTAL EXHIBITS AND SCHEDULES INTERROGATORIES

The following supplemental reports are required to be filed as part of your statement filing. However, in the event that your company does not transact the type of business for which the special report must be filed, your response of **NO** to the specific interrogatory will be accepted in lieu of filing a "NONE" report and a bar code will be printed below. If the supplemental is required of your company but is not being filed for whatever reason enter **SEE EXPLANATION** and provide an explanation following the interrogatory questions.

	RESPONSE
1. Will the Medicare Part D Coverage Statement be filed with the state of domicile and the NAIC with this statement?	NO

Explanation:

1.

Bar Code:

1. 9 5 3 7 8 2 0 0 8 3 6 5 0 0 0 0 1

OVERFLOW PAGE FOR WRITE-INS

MQ002 Additional Aggregate Lines for Page 02 Line 23.
*ASSETS

	1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols. 1 - 2)	4 Prior Year Net Admitted Assets
2304. Receivable from Litigation			0	125,000
2397. Summary of remaining write-ins for Line 23 from Page 02	0	0	0	125,000

SCHEDULE A - VERIFICATION

Real Estate

NONE

	1 Year to Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year	0	0
2. Cost of acquired:		
2.1 Actual cost at time of acquisitions		
2.2 Additional investment made after acquisitions		
3. Current year change in encumbrances		
4. Total gain (loss) on disposals		0
5. Deduct amounts received on disposals		0
6. Total foreign exchange change in book/adjusted carrying value		0
7. Deduct current year's other than temporary impairment recognized		
8. Deduct current year's depreciation		
9. Book/adjusted carrying value at the end of current period (Lines 1+2+3+4-5+6-7-8)	0	0
10. Deduct total nonadmitted amount		0
11. Statement value at end of current period (Line 9 minus Line 10)	0	0

SCHEDULE B – VERIFICATION

Mortgage Loans

NONE

	1 Year to Date	2 Prior Year Ended December 31
1. Book value/recorded investment excluding accrued interest, December 31 of prior year	0	0
2. Cost of acquired:		
2.1 Actual cost at time of acquisitions		0
2.2 Additional investment made after acquisitions		0
3. Capitalized deferred interest and other		
4. Accrual of discount		
5. Unrealized valuation increase (decrease)		
6. Total gain (loss) on disposals		0
7. Deduct amounts received on disposals		0
8. Deduct amortization of premium and mortgage interest points and commitment fees		
9. Total foreign exchange change in book value/recorded investment excluding accrued interest		
10. Deduct current year's other than temporary impairment recognized		0
11. Book value/recorded investment excluding accrued interest at end of current period (Lines 1+2+3+4+5+6-7-8+9-10)	0	0
12. Deduct total nonadmitted accounts		0
13. Statement value at end of current period (Line 11 minus Line 12)	0	0

SCHEDULE BA – VERIFICATION

Other Long Term Invested Assets

NONE

	1 Year to Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year	0	0
2. Cost of acquired:		
2.1 Actual cost at time of acquisitions		0
2.2 Additional investment made after acquisitions		0
3. Capitalized deferred interest and other		
4. Accrual of discount		0
5. Unrealized valuation increase (decrease)		
6. Total gain (loss) on disposals		0
7. Deduct amounts received on disposals		0
8. Deduct amortization of premium and depreciation		0
9. Total foreign exchange change in book/adjusted carrying value		0
10. Deduct current year's other than temporary impairment recognized		
11. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5+6-7-8+9-10)	0	0
12. Deduct total nonadmitted amounts		0
13. Statement value at end of current period (Line 11 minus Line 12)	0	0

SCHEDULE D – VERIFICATION

Bonds and Stocks

	1 Year to Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value of bonds and stocks, December 31 of prior year	236,382,935	166,667,269
2. Cost of bonds and stocks acquired	52,921,183	169,000,683
3. Accrual of discount	158,862	786,850
4. Unrealized valuation increase (decrease)		0
5. Total gain (loss) on disposals	421,206	313,285
6. Deduct consideration for bonds and stocks disposed of	41,086,929	99,927,655
7. Deduct amortization of premium	259,920	457,497
8. Total foreign exchange change in book/adjusted carrying value		0
9. Deduct current year's other than temporary impairment recognized	38,768	
10. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9)	248,498,569	236,382,935
11. Deduct total nonadmitted amounts		0
12. Statement value at end of current period (Line 10 minus Line 11)	248,498,569	236,382,935

SCHEDULE D - PART 1B

Showing the Acquisitions, Dispositions and Non-Trading Activity
During the Current Quarter for all Bonds and Preferred Stock by Rating Class

	1 Book/Adjusted Carrying Value Beginning of Current Quarter	2 Acquisitions During Current Quarter	3 Dispositions During Current Quarter	4 Non-Trading Activity During Current Quarter	5 Book/Adjusted Carrying Value End of First Quarter	6 Book/Adjusted Carrying Value End of Second Quarter	7 Book/Adjusted Carrying Value End of Third Quarter	8 Book/Adjusted Carrying Value December 31 Prior Year
BONDS								
1. Class 1 (a)	349,333,832	1,099,702,265	1,066,777,816	166,641	382,424,922	0	0	349,333,832
2. Class 2 (a)	8,540,237		2,775,000	6,781	5,772,018	0	0	8,540,237
3. Class 3 (a)	0				0	0	0	0
4. Class 4 (a)	0				0	0	0	0
5. Class 5 (a)	0				0	0	0	0
6. Class 6 (a)	0				0	0	0	0
7. Total Bonds	357,874,069	1,099,702,265	1,069,552,816	173,422	388,196,940	0	0	357,874,069
PREFERRED STOCK								
8. Class 1	0				0	0	0	0
9. Class 2	0				0	0	0	0
10. Class 3	0				0	0	0	0
11. Class 4	0				0	0	0	0
12. Class 5	0				0	0	0	0
13. Class 6	0				0	0	0	0
14. Total Preferred Stock	0	0	0	0	0	0	0	0
15. Total Bonds and Preferred Stock	357,874,069	1,099,702,265	1,069,552,816	173,422	388,196,940	0	0	357,874,069

(a) Book/Adjusted Carrying Value column for the end of the current reporting period includes the following amount of non-rated short-term and cash equivalent bonds by NAIC designation: NAIC 1 $139,318,662 ; NAIC 2 $379,710 ; NAIC 3 $0 ; NAIC 4 $0 ; NAIC 5 $0 ; NAIC 6 $0

SCHEDULE DA - PART 1

Short-Term Investments Owned End of Current Quarter

	1 Book/Adjusted Carrying Value	2 Par Value	3 Actual Cost	4 Interest Collected Year To Date	5 Paid for Accrued Interest Year To Date
8299999 Totals	89,703,100	XXX	89,706,700	391,668	0

SCHEDULE DA - VERIFICATION

Short-Term Investments

	1 Year To Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year	71,023,997	130,134,013
2. Cost of short-term investments acquired	807,068,471	2,808,081,805
3. Accrual of discount	0	164,203
4. Unrealized valuation increase (decrease)	0	0
5. Total gain (loss) on disposals	0	16,837
6. Deduct consideration received on disposals	788,387,093	2,867,351,652
7. Deduct amortization of premium	2,275	21,208
8. Total foreign exchange change in book/adjusted carrying value	0	0
9. Deduct current year's other than temporary impairment recognized	0	0
10. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9)	89,703,100	71,023,997
11. Deduct total nonadmitted amounts	0	0
12. Statement value at end of current period (Line 10 minus Line 11)	89,703,100	71,023,997

Schedule DB - Part F - Section 1

NONE

Schedule DB - Part F - Section 2

NONE

SCHEDULE E-VERIFICATION

(Cash Equivalents)

	1 Year To Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year	50,467,137	77,429,632
2. Cost of cash equivalents	239,712,611	1,233,920,112
3. Accrual of discount	315,523	2,627,046
4. Unrealized valuation increase (decrease)	0	0
5. Total gain (loss) on disposals	0	(1,995)
6. Deduct consideration received on disposals	240,500,000	1,263,507,657
7. Deduct amortization of premium	0	0
8. Total foreign exchange change in book/adjusted carrying value	0	0
9. Deduct current year's other than temporary impairment recognized	0	0
10. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9)	49,995,272	50,467,137
11. Deduct total nonadmitted amounts	0	0
12. Statement value at end of current period (Line 10 minus Line 11)	49,995,272	50,467,137

Schedule A - Part 2

NONE

Schedule A - Part 3

NONE

Schedule B - Part 2

NONE

Schedule B - Part 3

NONE

Schedule BA - Part 2

NONE

Schedule BA - Part 3

NONE

SCHEDULE D - PART 3

Show All Long-Term Bonds and Stock Acquired During the Current Quarter

1 CUSIP Identification	2 Description	3 Foreign	4 Date Acquired	5 Name of Vendor	6 Number of Shares of Stock	7 Actual Cost	8 Par Value	9 Paid for Accrued Interest and Dividends	10 NAIC Designation or Market Indicator (a)
912828-CH-1	US Treasury Note 3.875% 05/15/09		03/20/2008	Merrill Lynch		9,436,152	9,185,000	127,114	1
912828-ES-5	US Treasury Note 4.250% 01/15/11		01/23/2008	Chase Securities		9,342,779	8,825,000	9,274	1
912828-ES-5	US Treasury Note 4.250% 01/15/11		03/17/2008	Chase Securities		968,906	900,000	6,830	1
912828-ES-5	US Treasury Note 4.250% 01/15/11		03/20/2008	CitiGroup		10,783,704	10,065,000	81,087	1
0399999 - Total - Bonds - U.S. Government						30,531,542	28,975,000	224,305	XXX
604129-EB-8	MN St GO Non Call 5.000% 08/01/12		03/19/2008	Wachovia Bank		2,216,841	2,030,000	15,225	1FE
1799999 - Total - Bonds - States, Territories and Possessions						2,216,841	2,030,000	15,225	XXX
014393-LD-2	Aldine TX Indpt Sch Dist GO Cont Call Si		02/15/2008	KEYBANC CAP/ McDonald		977,449	910,000	758	1FE
180847-VT-9	Clark County NV GO Cont Call Prfd 5.25		02/29/2008	JP Morgan Chase		2,164,940	2,000,000	28,000	1FE
251129-ZS-4	Detroit, MI City School Distr GO Cont Ca		03/19/2008	CitiGroup		1,939,630	1,750,000	38,500	1FE
442402-5W-9	Houston TX Ind School Dist GO Non Call		03/11/2008	KEYBANC CAP/ McDonald		1,666,454	1,560,000	6,283	1FE
442403-CV-1	Houston TX Indpt Sch GO Non Call 5.000		03/11/2008	Merrill Lynch		1,079,350	1,000,000	3,333	1FE
447726-NC-0	Huron Valley MI Sch Dist GO Non Call 5		03/13/2008	Wachovia Bank		1,595,280	1,500,000	0	1FE
2499999 - Total - Bonds - Political Subdivisions						9,423,104	8,720,000	76,875	XXX
130795-RR-0	CA Statewide Cmntys Dev Rev Bond Non Cal		03/13/2008	Morgan Stanley		1,613,490	1,500,000	0	1FE
246428-PE-0	DE Trans Authority Rev Bond Non Call 5		02/14/2008	Wachovia Bank		1,758,449	1,685,000	11,467	1FE
60636W-CP-8	MS Hwy Trans Rev Bond Cont Call Prfd 5		03/07/2008	Bank of America Sec		2,711,880	2,480,000	14,475	1FE
64972F-SV-9	NY City Mun Wtr Fin Auth Rev Bond Non Ca		03/13/2008	Goldman Sachs		1,446,485	1,350,000	0	1FE
873519-HP-0	Tacoma WA Elecr Syst Rev Bond Cont Call		03/14/2008	Wachovia Bank		1,651,470	1,500,000	18,688	1FE
882797-5F-6	TX Tech Univ Revs Rev Bond Cont Call 5		02/28/2008	Bear Stearns Sec		1,567,923	1,455,000	6,224	1FE
3199999 - Total - Bonds - Special Revenue						10,749,696	9,970,000	50,854	XXX
6099997 - Total - Bonds - Part 3						52,921,183	49,695,000	367,259	XXX
6099999 - Total - Bonds						52,921,183	49,695,000	367,259	XXX
6599999 - Total - Preferred Stocks						0	XXX	0	XXX
7299999 - Total - Common Stocks						0	XXX	0	XXX
7399999 - Total - Preferred and Common Stocks						0	XXX	0	XXX
7499999 - Totals						52,921,183	XXX	367,259	XXX

(a) For all common stock bearing the NAIC market indicator "U" provide: the number of such issues .

SCHEDULE D - PART 4

Show All Long-Term Bonds and Stock Sold, Redeemed or Otherwise Disposed of by the Company During the Current Quarter

1	2	3	4	5	6	7	8	9	10	Change in Book/Adjusted Carrying Value					16	17	18	19	20	21	22
										11	12	13	14	15							
CUSIP Identi-fication	Description	Foreign	Disposal Date	Name of Purchaser	Number of Shares of Stock	Consideration	Par Value	Actual Cost	Prior Year Book/Adjusted Carrying Value	Unrealized Valuation Increase/ (Decrease)	Current Year's (Amortization)/ Accretion	Current Year's Other Than Temporary Impairment Recognized	Total Change in B./A.C.V. (11 + 12 - 13)	Total Foreign Exchange Change in B./A.C.V.	Book/ Adjusted Carrying Value at Disposal Date	Foreign Exchange Gain (Loss) on Disposal	Realized Gain (Loss) on Disposal	Total Gain (Loss) on Disposal	Bond Interest/Stock Dividends Received During Year	Maturity Date	NAIC Desig-nation or Market Indicator (a)
3134A4-TE-4	FHLMC Note - Non Call 2.750% 03/15/08		03/15/2008	Maturity		5,500,000	5,500,000	5,313,880	5,474,462	0	25,538	0	25,538	0	5,500,000	0	0	0	75,625	03/15/2008	1FE
36220N-VU-8	GNMA Pool 283327 (MBS) 9.000% 12/15/19		01/01/2008	Paydown		71	71	71	71	0	0	0	0	0	71	0	0	0	1	12/15/2019	1
36220N-VU-8	GNMA Pool 283327 (MBS) 9.000% 12/15/19		02/01/2008	Paydown		89	89	89	89	0	0	0	0	0	89	0	0	0	1	12/15/2019	1
36220N-VU-8	GNMA Pool 283327 (MBS) 9.000% 12/15/19		03/01/2008	Paydown		73	73	73	72	0	0	0	0	0	73	0	0	0	2	12/15/2019	1
912828-CV-0	US Treasury Note - Non Call 3.375% 09/		03/14/2008	CitiGroup		23,484,785	22,825,000	22,908,810	22,907,831	0	(9,321)	0	(9,321)	0	22,898,510	0	586,275	586,275	389,359	09/15/2009	1
0399999 - Bonds - U.S. Governments						28,985,018	28,325,233	28,222,924	28,382,526	0	16,217	0	16,217	0	28,398,743	0	586,275	586,275	464,987	XXX	XXX
3128M1-MS-5	FHLMC Pool G12269 (MBS) 4.500% 09/01/2		01/01/2008	Paydown		10,004	10,004	9,618	9,642	0	362	0	362	0	10,004	0	0	0	38	09/01/2020	1
3128M1-MS-5	FHLMC Pool G12269 (MBS) 4.500% 09/01/2		02/01/2008	Paydown		8,309	8,309	7,988	8,008	0	300	0	300	0	8,309	0	0	0	62	09/01/2020	1
3128M1-MS-5	FHLMC Pool G12269 (MBS) 4.500% 09/01/2		03/01/2008	Paydown		13,141	13,141	12,634	12,666	0	475	0	475	0	13,141	0	0	0	148	09/01/2020	1
3128PB-G4-0	FHLMC Pool J00219 (MBS) 4.500% 10/01/2		01/01/2008	Paydown		5,710	5,710	5,489	5,505	0	205	0	205	0	5,710	0	0	0	21	10/01/2020	1
3128PB-G4-0	FHLMC Pool J00219 (MBS) 4.500% 10/01/2		02/01/2008	Paydown		24,341	24,341	23,401	23,469	0	872	0	872	0	24,341	0	0	0	183	10/01/2020	1
3128PB-G4-0	FHLMC Pool J00219 (MBS) 4.500% 10/01/2		03/01/2008	Paydown		6,492	6,492	6,241	6,259	0	233	0	233	0	6,492	0	0	0	73	10/01/2020	1
3128PC-2X-9	FHLMC Pool J01690 (MBS) 5.500% 04/01/2		01/01/2008	Paydown		4,235	4,235	4,234	4,234	0	2	0	2	0	4,235	0	0	0	19	04/01/2021	1
3128PC-2X-9	FHLMC Pool J01690 (MBS) 5.500% 04/01/2		02/01/2008	Paydown		4,025	4,025	4,023	4,023	0	2	0	2	0	4,025	0	0	0	37	04/01/2021	1
3128PC-2X-9	FHLMC Pool J01690 (MBS) 5.500% 04/01/2		03/01/2008	Paydown		19,730	19,730	19,723	19,721	0	9	0	9	0	19,730	0	0	0	271	04/01/2021	1
3128PE-4K-1	FHLMC POOL J03526 MBS 6.000% 10/01/21		01/01/2008	Paydown		16,895	16,895	17,175	17,155	0	(259)	0	(259)	0	16,895	0	0	0	84	10/01/2021	1
3128PE-4K-1	FHLMC POOL J03526 MBS 6.000% 10/01/21		02/01/2008	Paydown		3,315	3,315	3,370	3,366	0	(51)	0	(51)	0	3,315	0	0	0	33	10/01/2021	1
3128PE-4K-1	FHLMC POOL J03526 MBS 6.000% 10/01/21		03/01/2008	Paydown		13,136	13,136	13,353	13,337	0	(202)	0	(202)	0	13,136	0	0	0	197	10/01/2021	1
3128PE-4P-0	FHLMC Pool J03530 MBS 6.000% 10/01/21		01/01/2008	Paydown		21,158	21,158	21,456	21,437	0	(279)	0	(279)	0	21,158	0	0	0	106	10/01/2021	1
3128PE-4P-0	FHLMC Pool J03530 MBS 6.000% 10/01/21		02/01/2008	Paydown		4,850	4,850	4,919	4,914	0	(64)	0	(64)	0	4,850	0	0	0	49	10/01/2021	1
3128PE-4P-0	FHLMC Pool J03530 MBS 6.000% 10/01/21		03/01/2008	Paydown		4,586	4,586	4,650	4,646	0	(60)	0	(60)	0	4,586	0	0	0	69	10/01/2021	1
3128PE-KP-2	FHLMC Pool J03002 (MBS) 5.500% 07/01/2		01/01/2008	Paydown		6,011	6,011	5,996	5,996	0	14	0	14	0	6,011	0	0	0	28	07/01/2021	1
3128PE-KP-2	FHLMC Pool J03002 (MBS) 5.500% 07/01/2		02/01/2008	Paydown		5,507	5,507	5,494	5,495	0	13	0	13	0	5,507	0	0	0	50	07/01/2021	1
3128PE-KP-2	FHLMC Pool J03002 (MBS) 5.500% 07/01/2		03/01/2008	Paydown		5,635	5,635	5,622	5,622	0	13	0	13	0	5,635	0	0	0	77	07/01/2021	1
3128PH-BH-3	FHLMC Pool J05440 MBS 6.000% 08/01/22		01/01/2008	Paydown		29,745	29,745	30,145	30,138	0	(392)	0	(392)	0	29,745	0	0	0	149	08/01/2022	1
3128PH-BH-3	FHLMC Pool J05440 MBS 6.000% 08/01/22		02/01/2008	Paydown		34,926	34,926	35,396	35,387	0	(461)	0	(461)	0	34,926	0	0	0	349	08/01/2022	1
3128PH-BH-3	FHLMC Pool J05440 MBS 6.000% 08/01/22		03/01/2008	Paydown		159,935	159,935	162,084	162,044	0	(2,110)	0	(2,110)	0	159,935	0	0	0	2,399	08/01/2022	1
3128PH-BM-2	FHLMC Pool J05444 MBS 6.000% 08/01/22		01/01/2008	Paydown		29,482	29,482	29,905	29,897	0	(415)	0	(415)	0	29,482	0	0	0	147	08/01/2022	1
3128PH-BM-2	FHLMC Pool J05444 MBS 6.000% 08/01/22		02/01/2008	Paydown		8,800	8,800	8,926	8,924	0	(124)	0	(124)	0	8,800	0	0	0	88	08/01/2022	1
3128PH-BM-2	FHLMC Pool J05444 MBS 6.000% 08/01/22		03/01/2008	Paydown		33,315	33,315	33,794	33,784	0	(469)	0	(469)	0	33,315	0	0	0	500	08/01/2022	1
3128PH-CY-5	FHLMC Pool J05487 MBS 6.000% 09/01/22		01/01/2008	Paydown		5,201	5,201	5,271	5,270	0	(68)	0	(68)	0	5,201	0	0	0	26	09/01/2022	1
3128PH-CY-5	FHLMC Pool J05487 MBS 6.000% 09/01/22		02/01/2008	Paydown		5,487	5,487	5,561	5,559	0	(72)	0	(72)	0	5,487	0	0	0	55	09/01/2022	1
3128PH-CY-5	FHLMC Pool J05487 MBS 6.000% 09/01/22		03/01/2008	Paydown		261,596	261,596	265,111	265,038	0	(3,442)	0	(3,442)	0	261,596	0	0	0	3,924	09/01/2022	1

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Show All Long-Term Bonds and Stock Sold, Redeemed or Otherwise Disposed of by the Company During the Current Quarter

1	2	3	4	5	6	7	8	9	10	Change in Book/Adjusted Carrying Value					16	17	18	19	20	21	22
										11	12	13	14	15							
CUSIP Identi-fication	Description	Foreign	Disposal Date	Name of Purchaser	Number of Shares of Stock	Consideration	Par Value	Actual Cost	Prior Year Book/Adjusted Carrying Value	Unrealized Valuation Increase/ (Decrease)	Current Year's (Amortization)/ Accretion	Current Year's Other Than Temporary Impairment Recognized	Total Change in B./A.C.V. (11 + 12 - 13)	Total Foreign Exchange Change in B./A.C.V.	Book/ Adjusted Carrying Value at Disposal Date	Foreign Exchange Gain (Loss) on Disposal	Realized Gain (Loss) on Disposal	Total Gain (Loss) on Disposal	Bond Interest/Stock Dividends Received During Year	Maturity Date	NAIC Desig-nation or Market Indicator (a)
312915-DN-8	FHLMC 1490 Cls PH CMO 6.250% 04/15/08		01/01/2008	Paydown		6,861	6,861	6,770	6,844	0	17	0	17	0	6,861	0	0	0	36	04/15/2008	1
312972-LE-0	FHLMC Pool B19325 (MBS) 5.000% 05/01/2		01/01/2008	Paydown		4,996	4,996	4,895	4,902	0	94	0	94	0	4,996	0	0	0	21	05/01/2020	1
312972-LE-0	FHLMC Pool B19325 (MBS) 5.000% 05/01/2		02/01/2008	Paydown		5,067	5,067	4,965	4,972	0	95	0	95	0	5,067	0	0	0	42	05/01/2020	1
312972-LE-0	FHLMC Pool B19325 (MBS) 5.000% 05/01/2		03/01/2008	Paydown		4,939	4,939	4,840	4,846	0	93	0	93	0	4,939	0	0	0	62	05/01/2020	1
31339N-WC-6	FHLMC 2430 VL (CMO) 6.000% 01/15/18		01/01/2008	Paydown		26,383	26,383	27,908	26,565	0	(182)	0	(182)	0	26,383	0	0	0	132	06/15/2009	1
31339N-WC-6	FHLMC 2430 VL (CMO) 6.000% 01/15/18		02/01/2008	Paydown		25,644	25,644	27,127	25,821	0	(177)	0	(177)	0	25,644	0	0	0	256	06/15/2009	1
31339N-WC-6	FHLMC 2430 VL (CMO) 6.000% 01/15/18		03/01/2008	Paydown		41,366	41,366	43,757	41,651	0	(286)	0	(286)	0	41,366	0	0	0	620	06/15/2009	1
3133T1-SR-4	FHLMC 1601 PJ (CMO) 6.000% 10/15/08		01/01/2008	Paydown		15,438	15,438	15,713	15,426	0	13	0	13	0	15,438	0	0	0	77	10/15/2008	1
3133T1-SR-4	FHLMC 1601 PJ (CMO) 6.000% 10/15/08		02/01/2008	Paydown		15,362	15,362	15,636	15,350	0	13	0	13	0	15,362	0	0	0	154	10/15/2008	1
3133T1-SR-4	FHLMC 1601 PJ (CMO) 6.000% 10/15/08		03/01/2008	Paydown		14,864	14,864	15,129	14,852	0	12	0	12	0	14,864	0	0	0	223	10/15/2008	1
3133T4-XM-3	FHLMC 1708 E (CMO) 6.000% 03/15/09		01/01/2008	Paydown		7,196	7,196	6,839	7,144	0	52	0	52	0	7,196	0	0	0	36	03/15/2009	1
3133T4-XM-3	FHLMC 1708 E (CMO) 6.000% 03/15/09		02/01/2008	Paydown		7,011	7,011	6,663	6,961	0	51	0	51	0	7,011	0	0	0	70	03/15/2009	1
3133T4-XM-3	FHLMC 1708 E (CMO) 6.000% 03/15/09		03/01/2008	Paydown		6,732	6,732	6,397	6,683	0	49	0	49	0	6,732	0	0	0	101	03/15/2009	1
31359A-EG-0	FNMA 1993-93 G (CMO) 6.750% 05/25/08		01/01/2008	Paydown		3,392	3,392	3,409	3,378	0	14	0	14	0	3,392	0	0	0	19	03/25/2008	1
31359A-EG-0	FNMA 1993-93 G (CMO) 6.750% 05/25/08		02/01/2008	Paydown		2,927	2,927	2,943	2,915	0	12	0	12	0	2,927	0	0	0	33	03/25/2008	1
31359A-EG-0	FNMA 1993-93 G (CMO) 6.750% 05/25/08		03/01/2008	Paydown		287	287	288	285	0	1	0	1	0	287	0	0	0	5	03/25/2008	1
31392F-FA-0	FNMA 2002-73 OD (CMO) 5.000% 06/25/16		03/01/2008	Paydown		6,954	6,954	7,095	6,992	0	(38)	0	(38)	0	6,954	0	0	0	87	01/25/2012	1
31392H-KK-8	FNMA 2003-10 PL (CMO) 4.000% 05/25/26		01/01/2008	Paydown		22,502	22,502	22,277	22,422	0	79	0	79	0	22,502	0	0	0	75	05/25/2026	1
31392H-KK-8	FNMA 2003-10 PL (CMO) 4.000% 05/25/26		02/01/2008	Paydown		24,343	24,343	24,100	24,258	0	86	0	86	0	24,343	0	0	0	162	05/25/2026	1
31392H-KK-8	FNMA 2003-10 PL (CMO) 4.000% 05/25/26		03/01/2008	Paydown		25,577	25,577	25,321	25,487	0	90	0	90	0	25,577	0	0	0	256	05/25/2026	1
31392H-S5-3	FNMA 2003-8 OY (CMO) 4.500% 12/25/25		02/01/2008	Paydown		2,962	2,962	2,977	2,958	0	4	0	4	0	2,962	0	0	0	22	05/25/2010	1
31392H-S5-3	FNMA 2003-8 OY (CMO) 4.500% 12/25/25		03/01/2008	Paydown		47,203	47,203	47,439	47,142	0	61	0	61	0	47,203	0	0	0	531	05/25/2010	1
31392J-LK-3	FNMA 2003-15 CP (CMO) 4.500% 12/25/26		01/01/2008	Paydown		21,052	21,052	21,184	20,995	0	58	0	58	0	21,052	0	0	0	79	02/25/2008	1
31392J-LK-3	FNMA 2003-15 CP (CMO) 4.500% 12/25/26		02/01/2008	Paydown		27,843	27,843	28,017	27,767	0	76	0	76	0	27,843	0	0	0	209	02/25/2008	1
31392J-LK-3	FNMA 2003-15 CP (CMO) 4.500% 12/25/26		03/01/2008	Paydown		23,315	23,315	23,460	23,251	0	64	0	64	0	23,315	0	0	0	262	02/25/2008	1
31393A-G2-7	FNMA 2003-24 LC (CMO) PAC 5.000% 12/25		01/01/2008	Paydown		41,132	41,132	41,132	41,132	0	0	0	0	0	41,132	0	0	0	171	12/25/2015	1
31393A-G2-7	FNMA 2003-24 LC (CMO) PAC 5.000% 12/25		02/01/2008	Paydown		26,323	26,323	26,323	26,323	0	0	0	0	0	26,323	0	0	0	219	12/25/2015	1
31393A-G2-7	FNMA 2003-24 LC (CMO) PAC 5.000% 12/25		03/01/2008	Paydown		42,018	42,018	42,018	42,018	0	0	0	0	0	42,018	0	0	0	525	12/25/2015	1
31393H-UF-7	FHLMC 2548 HA (CMO) 4.500% 01/15/10		01/01/2008	Paydown		10,507	10,507	10,489	10,489	0	18	0	18	0	10,507	0	0	0	39	01/15/2010	1
31393H-UF-7	FHLMC 2548 HA (CMO) 4.500% 01/15/10		02/01/2008	Paydown		5,188	5,188	5,179	5,179	0	9	0	9	0	5,188	0	0	0	39	01/15/2010	1
31393H-UF-7	FHLMC 2548 HA (CMO) 4.500% 01/15/10		03/01/2008	Paydown		32,221	32,221	32,166	32,165	0	56	0	56	0	32,221	0	0	0	362	01/15/2010	1
31393K-F7-5	FHLMC 2572 HG (CMO) 4.500% 02/15/17		01/01/2008	Paydown		14,677	14,677	14,539	14,599	0	78	0	78	0	14,677	0	0	0	55	02/15/2017	1
31393K-F7-5	FHLMC 2572 HG (CMO) 4.500% 02/15/17		02/01/2008	Paydown		13,838	13,838	13,709	13,765	0	73	0	73	0	13,838	0	0	0	104	02/15/2017	1

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										11	12	13	14	15							
CUSIP Identi-fication	Description	Foreign	Disposal Date	Name of Purchaser	Number of Shares of Stock	Consideration	Par Value	Actual Cost	Prior Year Book/Adjusted Carrying Value	Unrealized Valuation Increase/ (Decrease)	Current Year's (Amortization)/ Accretion	Current Year's Other Than Temporary Impairment Recognized	Total Change in B./A.C.V. (11 + 12 - 13)	Total Foreign Exchange Change in B./A.C.V.	Book/ Adjusted Carrying Value at Disposal Date	Foreign Exchange Gain (Loss) on Disposal	Realized Gain (Loss) on Disposal	Total Gain (Loss) on Disposal	Bond Interest/Stock Dividends Received During Year	Maturity Date	NAIC Desig-nation or Market Indicator (a)
31393K-F7-5	FHLMC 2572 HG (CMO) 4.500% 02/15/17		03/01/2008	Paydown		15,274	15,274	15,131	15,194	0	81	0	81	0	15,274	0	0	0	172	02/15/2017	1
31393K-FA-8	FHLMC 2572 HK (CMO) 4.000% 02/15/17		01/01/2008	Paydown		14,677	14,677	14,601	14,626	0	51	0	51	0	14,677	0	0	0	49	02/15/2017	1
31393K-FA-8	FHLMC 2572 HK (CMO) 4.000% 02/15/17		02/01/2008	Paydown		13,838	13,838	13,767	13,791	0	48	0	48	0	13,838	0	0	0	92	02/15/2017	1
31393K-FA-8	FHLMC 2572 HK (CMO) 4.000% 02/15/17		03/01/2008	Paydown		15,274	15,274	15,195	15,222	0	53	0	53	0	15,274	0	0	0	153	02/15/2017	1
31395W-WF-0	FHLMC 3012 TM (CMO) 4.500% 03/15/25		01/01/2008	Paydown		22,131	22,131	22,072	22,083	0	48	0	48	0	22,131	0	0	0	83	03/15/2025	1
31395W-WF-0	FHLMC 3012 TM (CMO) 4.500% 03/15/25		02/01/2008	Paydown		21,415	21,415	21,358	21,368	0	47	0	47	0	21,415	0	0	0	161	03/15/2025	1
31395W-WF-0	FHLMC 3012 TM (CMO) 4.500% 03/15/25		03/01/2008	Paydown		22,504	22,504	22,444	22,455	0	49	0	49	0	22,504	0	0	0	253	03/15/2025	1
31402Q-R6-0	FNMA Pool 735009 (MBS) 5.000% 05/01/19		01/01/2008	Paydown		13,483	13,483	13,247	13,260	0	224	0	224	0	13,483	0	0	0	56	05/01/2019	1
31402Q-R6-0	FNMA Pool 735009 (MBS) 5.000% 05/01/19		02/01/2008	Paydown		13,657	13,657	13,418	13,430	0	226	0	226	0	13,657	0	0	0	114	05/01/2019	1
31402Q-R6-0	FNMA Pool 735009 (MBS) 5.000% 05/01/19		03/01/2008	Paydown		16,487	16,487	16,199	16,214	0	273	0	273	0	16,487	0	0	0	206	05/01/2019	1
31407N-FK-4	FNMA Pool 835470 (MBS) 5.000% 09/01/20		01/01/2008	Paydown		7,462	7,462	7,310	7,319	0	143	0	143	0	7,462	0	0	0	31	09/01/2020	1
31407N-FK-4	FNMA Pool 835470 (MBS) 5.000% 09/01/20		02/01/2008	Paydown		14,052	14,052	13,766	13,782	0	270	0	270	0	14,052	0	0	0	117	09/01/2020	1
31407N-FK-4	FNMA Pool 835470 (MBS) 5.000% 09/01/20		03/01/2008	Paydown		13,572	13,572	13,296	13,312	0	260	0	260	0	13,572	0	0	0	170	09/01/2020	1
31407S-GA-4	FNMA Pool 839093 (MBS) 5.000% 10/01/20		01/01/2008	Paydown		35,065	35,065	34,380	34,412	0	653	0	653	0	35,065	0	0	0	146	10/01/2020	1
31407S-GA-4	FNMA Pool 839093 (MBS) 5.000% 10/01/20		02/01/2008	Paydown		8,615	8,615	8,447	8,455	0	160	0	160	0	8,615	0	0	0	72	10/01/2020	1
31407S-GA-4	FNMA Pool 839093 (MBS) 5.000% 10/01/20		03/01/2008	Paydown		38,741	38,741	37,985	38,020	0	722	0	722	0	38,741	0	0	0	484	10/01/2020	1
31410P-TL-7	FNMA Pool 893455 (MBS) 5.500% 09/01/21		01/01/2008	Paydown		12,840	12,840	12,786	12,786	0	54	0	54	0	12,840	0	0	0	59	09/01/2021	1
31410P-TL-7	FNMA Pool 893455 (MBS) 5.500% 09/01/21		02/01/2008	Paydown		9,718	9,718	9,677	9,677	0	41	0	41	0	9,718	0	0	0	89	09/01/2021	1
31410P-TL-7	FNMA Pool 893455 (MBS) 5.500% 09/01/21		03/01/2008	Paydown		81,888	81,888	81,543	81,545	0	344	0	344	0	81,888	0	0	0	1,126	09/01/2021	1
31410X-VR-4	FNMA Pool 900724 (MBS) 5.500% 08/01/21		01/01/2008	Paydown		3,703	3,703	3,703	3,702	0	0	0	0	0	3,703	0	0	0	17	08/01/2021	1
31410X-VR-4	FNMA Pool 900724 (MBS) 5.500% 08/01/21		02/01/2008	Paydown		18,988	18,988	18,989	18,986	0	2	0	2	0	18,988	0	0	0	174	08/01/2021	1
31410X-VR-4	FNMA Pool 900724 (MBS) 5.500% 08/01/21		03/01/2008	Paydown		38,424	38,424	38,427	38,419	0	5	0	5	0	38,424	0	0	0	528	08/01/2021	1
31413H-7H-5	FNMA Pool 946496 MBS 6.000% 09/01/22		01/01/2008	Paydown		26,953	26,953	27,336	27,327	0	(375)	0	(375)	0	26,953	0	0	0	135	09/01/2022	1
31413H-7H-5	FNMA Pool 946496 MBS 6.000% 09/01/22		02/01/2008	Paydown		126,739	126,739	128,541	128,501	0	(1,762)	0	(1,762)	0	126,739	0	0	0	1,267	09/01/2022	1
31413H-7H-5	FNMA Pool 946496 MBS 6.000% 09/01/22		03/01/2008	Paydown		80,557	80,557	81,702	81,677	0	(1,120)	0	(1,120)	0	80,557	0	0	0	1,208	09/01/2022	1
31413H-ET-1	FNMA Pool 945746 MBS 6.000% 08/01/22		01/01/2008	Paydown		6,520	6,520	6,612	6,610	0	(90)	0	(90)	0	6,520	0	0	0	33	08/01/2022	1
31413H-ET-1	FNMA Pool 945746 MBS 6.000% 08/01/22		02/01/2008	Paydown		6,790	6,790	6,885	6,883	0	(93)	0	(93)	0	6,790	0	0	0	68	08/01/2022	1
31413H-ET-1	FNMA Pool 945746 MBS 6.000% 08/01/22		03/01/2008	Paydown		7,060	7,060	7,159	7,157	0	(97)	0	(97)	0	7,060	0	0	0	106	08/01/2022	1
31413J-BF-0	FNMA Pool 946538 MBS 6.000% 09/01/22		01/01/2008	Paydown		5,803	5,803	5,882	5,881	0	(78)	0	(78)	0	5,803	0	0	0	29	09/01/2022	1
31413J-BF-0	FNMA Pool 946538 MBS 6.000% 09/01/22		02/01/2008	Paydown		19,863	19,863	20,136	20,130	0	(267)	0	(267)	0	19,863	0	0	0	199	09/01/2022	1
31413J-BF-0	FNMA Pool 946538 MBS 6.000% 09/01/22		03/01/2008	Paydown		33,999	33,999	34,466	34,456	0	(457)	0	(457)	0	33,999	0	0	0	510	09/01/2022	1
31413K-BX-8	FNMA Pool 947454 MBS 5.500% 10/01/22		01/01/2008	Paydown		75,573	75,573	75,833	75,828	0	(255)	0	(255)	0	75,573	0	0	0	346	10/01/2022	1
31413K-BX-8	FNMA Pool 947454 MBS 5.500% 10/01/22		02/01/2008	Paydown		8,631	8,631	8,660	8,660	0	(29)	0	(29)	0	8,631	0	0	0	79	10/01/2022	1

SCHEDULE D - PART 4

Show All Long-Term Bonds and Stock Sold, Redeemed or Otherwise Disposed of by the Company During the Current Quarter

1	2	3	4	5	6	7	8	9	10	Change in Book/Adjusted Carrying Value					16	17	18	19	20	21	22
										11	12	13	14	15							
CUSIP Identi-fication	Description	Foreign	Disposal Date	Name of Purchaser	Number of Shares of Stock	Consideration	Par Value	Actual Cost	Prior Year Book/Adjusted Carrying Value	Unrealized Valuation Increase/ (Decrease)	Current Year's (Amortization)/ Accretion	Current Year's Other Than Temporary Impairment Recognized	Total Change in B./A.C.V. (11 + 12 - 13)	Total Foreign Exchange Change in B./A.C.V.	Book/ Adjusted Carrying Value at Disposal Date	Foreign Exchange Gain (Loss) on Disposal	Realized Gain (Loss) on Disposal	Total Gain (Loss) on Disposal	Bond Interest/Stock Dividends Received During Year	Maturity Date	NAIC Desig-nation or Market Indicator (a)
31413K-BX-8	FNMA Pool 947454 MBS 5.500% 10/01/22		03/01/2008	Paydown		70,822	70,822	71,066	71,061	0	(239)	0	(239)	0	70,822	0	0	0	974	10/01/2022	1
383739-RL-5	GNMA 2001-6 PM (CMO) 6.500% 06/16/30		01/01/2008	Paydown		7,364	7,364	7,576	7,370	0	(6)	0	(6)	0	7,364	0	0	0	40	12/16/2008	1
383739-RL-5	GNMA 2001-6 PM (CMO) 6.500% 06/16/30		02/01/2008	Paydown		9,393	9,393	9,663	9,400	0	(7)	0	(7)	0	9,393	0	0	0	102	12/16/2008	1
383739-RL-5	GNMA 2001-6 PM (CMO) 6.500% 06/16/30		03/01/2008	Paydown		12,242	12,242	12,594	12,251	0	(9)	0	(9)	0	12,242	0	0	0	199	12/16/2008	1
38373M-J2-7	GNMA 2007-52 A CMO 4.054% 06/16/27		01/01/2008	Paydown		1,780	1,780	1,729	1,735	0	45	0	45	0	1,780	0	0	0	6	06/16/2027	1
38373M-J2-7	GNMA 2007-52 A CMO 4.054% 06/16/27		02/01/2008	Paydown		1,789	1,789	1,737	1,743	0	45	0	45	0	1,789	0	0	0	12	06/16/2027	1
38373M-J2-7	GNMA 2007-52 A CMO 4.054% 06/16/27		03/01/2008	Paydown		1,797	1,797	1,745	1,752	0	45	0	45	0	1,797	0	0	0	18	06/16/2027	1
38374B-3V-3	GNMA 2003-77 TG (CMO) 5.000% 05/16/30		01/01/2008	Paydown		34,830	34,830	35,363	34,866	0	(36)	0	(36)	0	34,830	0	0	0	145	07/16/2009	1
3199999 - Bonds - Special Revenues						2,311,996	2,311,996	2,324,709	2,318,415	0	(6,419)	0	(6,419)	0	2,311,996	0	0	0	24,096	XXX	XXX
046003-JT-7	Associate Corp of N America Sr Note 6		01/14/2008	CitiGroup		937,858	925,000	935,231	931,189	0	(322)	0	(322)	0	930,867	0	6,990	6,990	12,205	11/01/2008	1FE
07387E-BS-5	Bear Stearns Corporate Note Non Callable		03/17/2008	CitiGroup		820,000	1,000,000	1,000,000	1,000,000	0	0	0	0	0	1,000,000	0	(180,000)	(180,000)	15,069	10/15/2008	1FE
1248MB-AG-0	Credit Based Asset Serv 2007-CB2 A2A ABS		01/01/2008	Paydown		34,154	34,154	34,154	34,140	0	14	0	14	0	34,154	0	0	0	168	02/25/2037	1FE
1248MB-AG-0	Credit Based Asset Serv 2007-CB2 A2A ABS		02/01/2008	Paydown		37,362	37,362	37,361	37,346	0	15	0	15	0	37,362	0	0	0	367	02/25/2037	1FE
1248MB-AG-0	Credit Based Asset Serv 2007-CB2 A2A ABS		03/01/2008	Paydown		31,857	31,857	31,857	31,844	0	13	0	13	0	31,857	0	0	0	469	02/25/2037	1FE
12628K-AA-0	CSAB Mtg 2006-3 A1A ABS 6.000% 11/25/3		01/01/2008	Paydown		17,602	17,602	17,601	17,558	0	44	0	44	0	17,602	0	0	0	88	11/25/2036	1FE
12628K-AA-0	CSAB Mtg 2006-3 A1A ABS 6.000% 11/25/3		02/01/2008	Paydown		13,754	13,754	13,754	13,720	0	34	0	34	0	13,754	0	0	0	138	11/25/2036	1FE
12628K-AA-0	CSAB Mtg 2006-3 A1A ABS 6.000% 11/25/3		03/01/2008	Paydown		13,297	13,297	13,297	13,264	0	33	0	33	0	13,297	0	0	0	199	11/25/2036	1FE
172967-CH-2	Citigroup Inc Corporate Note Non Callabl		01/14/2008	CitiGroup		993,400	1,000,000	980,210	984,885	0	575	0	575	0	985,460	0	7,940	7,940	15,910	02/09/2009	1FE
17310E-AA-6	Citicorp Res Mtg 2006-2 A1A ABS 5.872%		01/01/2008	Paydown		43,236	43,236	43,236	43,135	0	102	0	102	0	43,236	0	0	0	212	09/25/2036	1FE
17310E-AA-6	Citicorp Res Mtg 2006-2 A1A ABS 5.872%		02/01/2008	Paydown		38,469	38,469	38,468	38,378	0	90	0	90	0	38,469	0	0	0	376	09/25/2036	1FE
17310E-AA-6	Citicorp Res Mtg 2006-2 A1A ABS 5.872%		03/01/2008	Paydown		57,071	57,071	57,070	56,936	0	134	0	134	0	57,071	0	0	0	838	09/25/2036	1FE
25746U-AL-3	Dominion Resources Corporate Note Cont C		02/15/2008	Maturity		500,000	500,000	492,955	499,349	0	651	0	651	0	500,000	0	0	0	10,313	02/15/2008	2FE
26441Y-AG-2	Duke-Weeks Real Corporate Note - Non Cal		01/15/2008	Maturity		900,000	900,000	876,087	899,298	0	702	0	702	0	900,000	0	0	0	15,075	01/15/2008	2FE
302570-AU-0	FPL Group Cap Corp Note Non Call 5.551		02/16/2008	Maturity		925,000	925,000	926,610	925,162	0	(162)	0	(162)	0	925,000	0	0	0	25,673	02/16/2008	1FE
34527R-KX-0	Ford Credit 2005-B A4 ABS 4.380% 01/15		01/15/2008	Paydown		80,826	80,826	80,106	80,375	0	451	0	451	0	80,826	0	0	0	295	01/15/2010	1FE
34527R-KX-0	Ford Credit 2005-B A4 ABS 4.380% 01/15		02/15/2008	Paydown		81,943	81,943	81,213	81,485	0	457	0	457	0	81,943	0	0	0	598	01/15/2010	1FE
34527R-KX-0	Ford Credit 2005-B A4 ABS 4.380% 01/15		03/15/2008	Paydown		76,735	76,735	76,052	76,307	0	428	0	428	0	76,735	0	0	0	840	01/15/2010	1FE
466302-AA-4	JP Morgan Chase 2006-S4 A1A CMO 5.440%		01/25/2008	Paydown		31,066	31,066	31,065	31,065	0	1	0	1	0	31,066	0	0	0	141	12/25/2036	1FE
466302-AA-4	JP Morgan Chase 2006-S4 A1A CMO 5.440%		02/25/2008	Paydown		27,613	27,613	27,612	27,612	0	1	0	1	0	27,613	0	0	0	250	12/25/2036	1FE
466302-AA-4	JP Morgan Chase 2006-S4 A1A CMO 5.440%		03/25/2008	Paydown		52,103	52,103	52,101	52,102	0	1	0	1	0	52,103	0	0	0	709	12/25/2036	1FE
46630L-AA-2	JP Morgan Mtg 2007-CH1 AF1A ABS 2.679%		01/25/2008	Paydown		16,708	16,708	16,708	16,708	0	0	0	0	0	16,708	0	0	0	69	11/25/2036	1FE
46630L-AA-2	JP Morgan Mtg 2007-CH1 AF1A ABS 2.679%		02/25/2008	Paydown		19,812	19,812	19,812	19,812	0	0	0	0	0	19,812	0	0	0	141	11/25/2036	1FE
46630L-AA-2	JP Morgan Mtg 2007-CH1 AF1A ABS 2.679%		03/25/2008	Paydown		14,393	14,393	14,393	14,393	0	0	0	0	0	14,393	0	0	0	139	11/25/2036	1FE

SCHEDULE D - PART 4

Show All Long-Term Bonds and Stock Sold, Redeemed or Otherwise Disposed of by the Company During the Current Quarter

1	2	3	4	5	6	7	8	9	10	Change in Book/Adjusted Carrying Value					16	17	18	19	20	21	22
										11	12	13	14	15							
CUSIP Identi-fication	Description	Foreign	Disposal Date	Name of Purchaser	Number of Shares of Stock	Consideration	Par Value	Actual Cost	Prior Year Book/Adjusted Carrying Value	Unrealized Valuation Increase/ (Decrease)	Current Year's (Amortization)/ Accretion	Current Year's Other Than Temporary Impairment Recognized	Total Change in B./A.C.V. (11 + 12 - 13)	Total Foreign Exchange Change in B./A.C.V.	Book/ Adjusted Carrying Value at Disposal Date	Foreign Exchange Gain (Loss) on Disposal	Realized Gain (Loss) on Disposal	Total Gain (Loss) on Disposal	Bond Interest/Stock Dividends Received During Year	Maturity Date	NAIC Desig-nation or Market Indicator (a)
478366-AH-0	Johnson Controls Inc. Corporate Note Non		02/01/2008	Maturity		1,000,000	1,000,000	1,021,513	1,000,327	0	(327)	0	(327)	0	1,000,000	0	0	0	31,500	02/01/2008	1FE
61750W-AR-4	Morgan Stanley Cap 2006-IQ12 A1 CMO COMM		01/01/2008	Paydown		6,760	6,760	6,777	6,770	0	(10)	0	(10)	0	6,760	0	0	0	30	10/15/2011	1FE
61750W-AR-4	Morgan Stanley Cap 2006-IQ12 A1 CMO COMM		02/01/2008	Paydown		6,795	6,795	6,812	6,806	0	(10)	0	(10)	0	6,795	0	0	0	60	10/15/2011	1FE
61750W-AR-4	Morgan Stanley Cap 2006-IQ12 A1 CMO COMM		03/01/2008	Paydown		9,028	9,028	9,050	9,041	0	(13)	0	(13)	0	9,028	0	0	0	119	10/15/2011	1FE
652482-AR-1	News America Inc Sr Notes 6.625% 01/09		01/09/2008	Maturity		675,000	675,000	684,653	675,176	0	(176)	0	(176)	0	675,000	0	0	0	22,359	01/09/2008	2FE
74005P-AH-7	Praxair Inc Note - Cont Callable 6.500		03/01/2008	Maturity		400,000	400,000	405,596	400,706	0	(706)	0	(706)	0	400,000	0	0	0	13,000	03/01/2008	1FE
75970H-AD-2	Renaissance Home Equity 2006-4 AF1 ABS		01/01/2008	Paydown		57,615	57,615	57,615	57,615	0	0	0	0	0	57,615	0	0	0	266	01/25/2037	1FE
75970H-AD-2	Renaissance Home Equity 2006-4 AF1 ABS		02/01/2008	Paydown		65,650	65,650	65,650	65,650	0	0	0	0	0	65,650	0	0	0	607	01/25/2037	1FE
75970H-AD-2	Renaissance Home Equity 2006-4 AF1 ABS		03/01/2008	Paydown		60,110	60,110	60,110	60,110	0	0	0	0	0	60,110	0	0	0	833	01/25/2037	1FE
78442F-AN-8	SLM Corp Corporate Note Non Callable 3		03/17/2008	Maturity		700,000	700,000	683,774	697,679	0	2,321	0	2,321	0	700,000	0	0	0	12,688	03/17/2008	2FE
83612Q-AA-6	Soundview Home Eq 2007-NS1 A1 ABS 2.71		01/25/2008	Paydown		20,943	20,943	20,943	20,943	0	0	0	0	0	20,943	0	0	0	87	01/25/2037	1FE
83612Q-AA-6	Soundview Home Eq 2007-NS1 A1 ABS 2.71		02/25/2008	Paydown		10,153	10,153	10,153	10,153	0	0	0	0	0	10,153	0	0	0	73	01/25/2037	1FE
83612Q-AA-6	Soundview Home Eq 2007-NS1 A1 ABS 2.71		03/25/2008	Paydown		13,602	13,602	13,602	13,602	0	0	0	0	0	13,602	0	0	0	133	01/25/2037	1FE
939322-AH-6	Washington Mutual Corp Note Non Call 4		01/15/2008	Maturity		1,000,000	1,000,000	987,660	999,638	0	362	0	362	0	1,000,000	0	0	0	21,875	01/15/2008	1FE
4599999 - Bonds - Industrial and Miscellaneous						9,789,915	9,963,658	9,930,858	9,950,280	0	4,704	0	4,704	0	9,954,985	0	(165,070)	(165,070)	203,910	XXX	XXX
6099997 - Bonds - Part 4						41,086,929	40,600,887	40,478,491	40,651,221	0	14,503	0	14,503	0	40,665,723	0	421,206	421,206	692,993	XXX	XXX
6099999 - Total - Bonds						41,086,929	40,600,887	40,478,491	40,651,221	0	14,503	0	14,503	0	40,665,723	0	421,206	421,206	692,993	XXX	XXX
6599999 - Total - Preferred Stocks						0	XXX	0	0	0	0	0	0	0	0	0	0	0	0	XXX	XXX
7299999 - Total - Common Stocks						0	XXX	0	0	0	0	0	0	0	0	0	0	0	0	XXX	XXX
7399999 - Total - Preferred and Common Stocks						0	XXX	0	0	0	0	0	0	0	0	0	0	0	0	XXX	XXX
7499999 Totals						41,086,929	XXX	40,478,491	40,651,221	0	14,503	0	14,503	0	40,665,723	0	421,206	421,206	692,993	XXX	XXX

(a) For all common stock bearing the NAIC market indicator "U" provide: the number of such issues .....

Schedule DB - Part A - Section 1

NONE

Schedule DB - Part B - Section 1

NONE

Schedule DB - Part C - Section 1

NONE

Schedule DB - Part D - Section 1

NONE

SCHEDULE E - PART 1 - CASH

Month End Depository Balances

1	2	3	4	5	Book Balance at End of Each Month During Current Quarter			9
					6	7	8	
Depository	Code	Rate of Interest	Amount of Interest Received During Current Quarter	Amount of Interest Accrued at Current Statement Date	First Month	Second Month	Third Month	*
JP Morgan Chase New York, NY					1,294,156	1,770,067	4,359,513	XXX
JP Morgan Chase Chicago, IL					10,198	1,079,962	10,514	XXX
0199998 Deposits in ..... depositories that do not exceed the allowable limit in any one depository (see Instructions) - Open Depositories	XXX	XXX						XXX
0199999 Totals - Open Depositories	XXX	XXX			1,304,354	2,850,028	4,370,027	XXX
0399999 Total Cash on Deposit	XXX	XXX			1,304,354	2,850,028	4,370,027	XXX
0499999 Cash in Company's Office	XXX	XXX	XXX	XXX				XXX
0599999 Total Cash	XXX	XXX			1,304,354	2,850,028	4,370,027	XXX

SCHEDULE E - PART 2 - CASH EQUIVALENTS

Show Investments Owned End of Current Quarter

1 Description	2 Code	3 Date Acquired	4 Rate of Interest	5 Maturity Date	6 Book/Adjusted Carrying Value	7 Amount of Interest Due & Accrued	8 Amount Received During Year
US Treasury Bill		03/06/2008	1.700	04/03/2008	49,995,272	0	61,383
0199999 - U.S. Governments - Issuer Obligations					49,995,272	0	61,383
0399999 - Total - U.S. Government Bonds					49,995,272		61,383
5499999 - Total - Issuer Obligations					49,995,272	0	61,383
6099999 - Total - Bonds					49,995,272	0	61,383
8799999 Totals					49,995,272	0	61,383

Report #2A: EAST TN TENNCARE OPERATIONS STATEMENT OF REVENUES AND EXPENSES

	2008		2007
	CURRENT PERIOD	YEAR TO DATE TOTAL	TOTAL
MEMBER MONTHS	252,016	252,016	995,830
REVENUES:			
1. TennCare Capitation	46,773,268	$46,773,268	$186,606,724
2. Adverse Selection	0	0	0
3. Total TennCare Revenue (Lines 1 and 2)	46,773,268	46,773,268	186,606,724
4. Investment	0	0	181,489
5. Other Revenue (Provide detail)	0	0	0
6. TOTAL REVENUES (Lines 3 to 5)	46,773,268	46,773,268	186,788,213
EXPENSES:			
Medical and Hospital Services:			
7. Capitated Physician Services	0	0	0
8. Fee-for Service Physician Services	10,281,535	10,281,535	49,720,443
[illegible] Services	9,653,176	9,653,176	37,244,280
[illegible] Services	16,646,588	16,646,588	67,189,746
11. Emergency Room Services	0	0	0
12. Mental Health Services	0	0	0
13. Dental Services	0	0	0
14. Vision Services	183,336	183,336	671,314
[illegible]	0	0	0
[illegible]	1,965,633	1,965,633	6,903,141
17. Chiropractic Services	0	0	0
[illegible]	917,274	917,274	3,861,157
[illegible] Services	859,997	859,997	4,102,771
[illegible]	0	0	0
21. Transportation Services	457,333	457,333	1,743,073
22. Outside Referrals	0	0	0
23. Medical Incentive Pool and Withhold Adjustments	0	0	0
24. Occupancy, Depreciation, and Amortization	0	0	0
25. Other Medical and Hospital Services (Provide Detail)	23,941	23,941	179,389
26. Subtotal (Lines 7 to 25)	40,988,812	40,988,812	171,615,314
LESS:			
27. Net Reinsurance Recoveries Incurred	0	0	0
28. Copayments	0	0	0
29. Subrogation and Coordination of Benefits	0	0	0
30. Subtotal (Lines 27 to 29)	0	0	0
31 TOTAL MEDICAL AND HOSPITAL (Lines 26 minus line 30)	40,988,812	40,988,812	171,615,314
Administration:			
32. Compensation	4,134,152	4,134,152	10,402,879
33. Marketing	452,389	452,389	756,041
34. Interest Expense	0	0	0
35. Premium Tax Expense	892,560	892,560	3,508,176
36. Occupancy, Depreciation and Amortization	305,355	305,355	505,802
37. Other Administration (Provide detail)	0	0	0
38. TOTAL ADMINISTRATION (Lines 32 to 37)	5,784,456	5,784,456	15,172,899
39. TOTAL EXPENSES (Lines 31 and 38)	46,773,268	46,773,268	186,788,213
40. Extraordinary Item			
41. Provision for Income Tax	0	0	(0)
42. NET INCOME (LOSS) (Line 6 less Lines 39, 40, and 41)	$0	$0	($0)
Write-ins:			
REVENUES:			
Line 5 Contractual Recoveries	0	0	0
Line 5 Deferral of Revenue for Administration fee Risk	0	0	0
EXPENSES:			
Line 25 Reinsurance Expense	0	0	0
Line 25 Nurseline	23,941	23,941	179,389
Line 37 Fines & Penalties- Regulatory Authorities	0	0	0

Americhoice - Middle Tennessee
Report 2A - TennCare Income Statement
Middle Tennessee CRA 2.30.14.3.3 and 2.30.14.3.4

	Current Period	Year-To-Date Total	Previous Year Total
Member Months	551,224	551,224	1,627,570
Revenues:			
TennCare Capitation	127,199,641	127,199,641	377,672,129
Investment	-	-	5,876,114
Other Revenues	-	-	-
Total Estimated Revenues	127,199,641	127,199,641	383,548,243
Expenses:			
Hospital and Medical (w/o Mental Health)			
Capitated Physician Services	-	-	-
Fee-for Service Physician Services	50,242,662	50,242,662	133,887,767
Inpatient Hospital Services	21,169,149	21,169,149	79,358,546
Outpatient Hospital Services	10,953,788	10,953,788	33,728,829
Emergency Room Services	8,886,683	8,886,683	24,039,010
Dental Services	-	-	-
Vision Services	805,492	805,492	1,169,337
Pharmacy Services	-	-	-
Home Health Services	-	-	-
Chiropractic Services	-	-	-
Radiology Services	3,102,515	3,102,515	8,366,475
Laboratory Services	2,515,544	2,515,544	5,745,341
Durable Medical Equipment Services	1,388,758	1,388,758	4,042,643
Transportation Services	6,814,885	6,814,885	13,656,933
Outside Referrals	-	-	-
Medical Incentive Pool and Withhold Adj	-	-	-
Occupancy, Depreciation and Amortization	-	-	-
Other Medical and Hospital Services - Write-Ins	193,340	193,340	229,846
Subtotal Medical and Hospital	106,072,817	106,072,817	304,224,727
Mental Health and Substance Abuse Services		-	-
Inpatient Psychiatric Facility Services	3,225,133	3,225,133	6,798,448
Inpatient Substance Abuse Treatment and Detox	309,211	309,211	1,041,640
Outpatient Mental Health Services	2,462,116	2,462,116	8,281,758
Outpatient Substance Abuse Treatment and Detox	19,902	19,902	52,646
Housing/Residential Treatment	789,325	789,325	2,192,016
Specialized Crisis Services	40,184	40,184	167,883
Psychiatric Rehab and Support Services	1,619,134	1,619,134	4,693,012
Case Management	6,215,423	6,215,423	18,566,580
Forensics	-	-	-
Other Judicial	-	-	-
Pharmacy	-	-	-
Lab Services	-	-	-
Transportation	350,477	350,477	1,547,558
Medical Incentive Pool and Withhold Adjustments	-	-	-
Occupancy, Depreciation and Amortization	-	-	-
Other Mental Health and Substance Abuse Services	1,145,547	1,145,547	4,310,875
PCP and Specialist Servcies	-	-	-
Other Mental Health Services - Write-Ins	-	-	-
Subtotal MH&SAS	16,176,451	16,176,451	47,652,415
Subtotal Hospital, Medical, MH&SAS	122,249,268	122,249,268	351,877,142
LESS:			
Net Reinsurance Recoveries Incurred	-	-	-
Copayments	-	-	-
Subrogation and Corrdination of Benefits	-	-	-
Subtotal Reinsurance, Copay, Subrogation	-	-	-
Total Hospital, Medical, MHS&S	122,249,268	122,249,268	351,877,142
Administation:			
Compensation	3,354,820	3,354,820	8,016,360
Marketing	91,793	91,793	219,339
Interest Expense	-	-	-
Premium Tax Expense	2,629,089	2,629,089	7,495,925
Occupancy, Depreciation, and Amortization	266,939	266,939	637,851
Other Administration - Write-Ins	13,508,319	13,508,319	32,278,194
Total Administration Expenses	19,850,959	19,850,959	48,647,669
Total Expenses	142,100,227	142,100,227	400,524,811
Extraordinary Item	-	-	-
Provision for Income Tax	(5,215,205)	(5,215,205)	(5,941,799)
Net Income (Loss)	(9,685,381)	(9,685,381)	(11,034,769)
Write-Ins for Other Expense			
Detail of Other Medical and Hospital:			
Other Capitated Services	193,340	193,340	229,846
	-	-	-
	-	-	-
Total Other Medical and Hospital	193,340	193,340	229,846
Detail of Other MH and SAS:			
	-	-	-
	-	-	-
	-	-	-
Total Other MH and SAS	-	-	-
Detail of Other Administration:			
Billing & Enrollment and Claims Operations	4,890,011	4,890,011	11,684,706
Customer and Provider Services	3,282,521	3,282,521	7,843,600
Infrastructure and Support	5,335,786	5,335,786	12,749,887
Total Other Administration	13,508,319	13,508,319	32,278,194